Factors That Are Putting Stocks Up Page 9

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

WITH FRENCH CANADA MARKET ANALYSIS PAGES 12-16

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The Nation's Business

Manitoba Tax Revolt Shows Merit of Broad Tax Base

Public Protests When It Feels New Taxes

C. P. R. Gains from Ottawa Pacts

Railway Problem Still Unsolved

Broader Tax Basis Serves Useful Purpose

OPPOSITION members in the Manitoba Legislature, Conservative and Labor members combining for the occasion, staged an all night filibuster in opposition to taxation proposals of the government. Such performances are not as a rule particularly edifying, but at the present time almost anything that impresses upon governments the desire of taxpayers for greater economy in administration may be useful. The parliamentary system grew up in England out of the resistance of the people to payment of taxes demanded by the Crown. That historic basis has largely been forgotten in recent years, and legislatures everywhere have been conducted as if their chief purpose in life was to expand instead of to check government spending. Any symptoms of revolt against that condition are welcome.

The bill against which the resistance was directed was one imposing a tax of two per cent on all wages and salaries paid in Manitoba, as well as all other income received in the province, in addition to the regular income tax. The only exceptions are married persons whose pay may be at a rate less than $960 a year, which is $80 a month, $3.20 a day, or 40 cents an hour, while in the case of unmarried persons only half of this exemption applies, and persons getting as little as 20 cents an hour, $1.60 a day, $40 a month or $480 a year are to be taxed. No exemptions are allowed on any part of the income of any one who may be subject to the tax. The tax reaches so far down in the income scale that it was found necessary to exclude pensions and allowances paid under the Child Welfare and Old Age Pensions Acts.

* * *

THE Manitoba opposition appear to have confined their criticism of this legislation mainly to the point of its burden on small wage earners. It's rather significant that Manitoba did not stage a tax revolt until the burden of rising governmental costs was brought home directly to the great mass of urban citizens. It would probably be useful to have some taxes paid directly by every one in Canada who is entitled to vote. Taxes actually do bear directly upon every one in this country, and to a very great extent. But the fact is disguised because the effect of much taxation is indirect in its nature, and there is not nearly the pressure upon members of Parliament and of legislatures, and also of municipal councils that could be usefully employed in forming the public opinion of the country. It is not enough to have a few taxpayers in the country whose burdens make them critical of unnecessary government spending. The more of such individuals there are the better. While governments are accustomed to regard as the best tax one which will produce the most revenue with the least amount of trouble, such a tax is not necessarily the one in the best interests of the country. Should the exigencies of the Manitoba government force it to impose a tax which would be paid directly by farmers, say a tax of a cent a bushel on grain sold, the number of watchful taxpayers would be greatly increased, and Manitoba would be provided with the best of all incentives for economical government.

* * *

BENEFICIAL results of direct pressure by taxpayers are to be noted in the reduced rate of taxation which many rural municipalities have been finding sufficient during recent years. Municipal councillors, aware that the only source of money for spending lay in taxes to be imposed on themselves and their neighbors, and under the watchful eyes of neighbors, have cut down expenditures and demands. But in larger units of government taxpayers and voters have in the minds of all concerned, constituted two different sets of persons, and for all practical purposes the voice of the taxpayer has been ignored.

To broaden the base of taxation, or rather the apparent base, is probably the only way to bring home to the mass of people the fact that taxes are a burden on the whole community, a burden that must be supported up to the point of necessity, but one that can be kept lighter if there is a real determination to that end. Thus this Manitoba tax accomplished one

(Continued on page 2, col. 3)

WORLD FLURRY MAY NET GOV'T $75,000,000

Saving of $50,000,000 is Seen on McFarland Wheat Holdings

EXPORT BONUS LESS

May Extend List of Goods Eligible for Export Fund Bonus—U. S. Exchange Reduced

From Our Own Correspondent

OTTAWA.—Economic events of the past ten days have done more to lessen the strain on the National treasury than all the legislation, all the oratory of the past three sessions of parliament.

With markets zooming upward, world exchanges whirling about in wild disorder, with the very foundations upon which Government policies were based dissolving into nothing—the Dominion treasury stands to win at least $75,000,000 if the changes in the past few days contain any elements of permanency.

One exceedingly heavy financial load has practically slipped clear of the Government's back. With cash wheat above 60 cents per bushel, the stabilization operations of John I. McFarland are authoritatively reported to be in the blue. Mr. McFarland was in the market with Government backing to the extent of some 75 millions of bushels of wheat, which had cost him approximately 53 cents per bushel. He holds, also, another 75 millions which he inherited from the wheat pools.

McFarland May Have Sold

Mr. McFarland may have been a heavy seller in the past week. The Government certainly hopes he has been. But a loss of approximately $50,000,000 has been recouped and if wheat prices continue to rise there may even be a profit.

The only catch in the situation is that the Government stands to lose but not win. If McFarland nets a profit it goes to the old wheat pools and, presumably, will be handed over to the provinces in part settlement of their losses on the 1929 crop. But if the McFarland operations result in a loss, the national treasury must make it good.

Here, at any rate, is a probable saving to the treasury of $50,000,000, and ministers are jubilant.

Another substantial saving will be effected under the proposed stabilization fund. When the budget came down the British pound was being quoted at $4.12. The Government proposed to bonus exports of a dozen commodities to whatever extent might be necessary to bring the return up to $4.60. But the pound now stands above $4.50 and the need of a bonus has practically disappeared. On Friday night, Premier Bennett declared that if exchange becomes stable at this level the Government would not object to the extension of the fund to a wide list of commodities.

New Items Requested

Since the budget came down many exporters have endeavored to persuade the Government that the policy should be extended. Representations to this effect have been received from exporters of: lumber, soft drinks, evaporated apples, dehydrated apples, fresh fruits, fresh vegetables, pilchard oil, fish oil and fish meal, black and silver fox pelts, alfalfa meal, farm furs, mining products, ice cream mix, frozen salmon, raw fruits, canned meats, fresh plums, peaches and pears, fruit pulps, cider, concentrated cider, butter, pulpwood and pitwood, dry salted fish, fruit preserved in sulphur dioxide, lobsters, wool, eggs and cheese.

Cost Down $8,000,000

The original estimate of the cost was $10,000,000 but the advance in the pound has written this figure down to less than $2,000,000 and slight further improvement will relieve the treasury entirely.

Finally the fall in the United States dollar has greatly reduced the burden of debt payments to the United States. At the same time the rise in the pound has lessened the premium gained by the Government on payments at London. By and large it may be doubted if the Federal Government directly stands to gain very much on this head, although there will be a substantial saving in the sums which the Dominion has had to advance to the western provinces on account of debt payments at New York.

Highlights of the Week

Events and Topics That Make Articles for The Post This Week

Stock Market

No single factor is making the present stock market. Deeply underlying influences are at work fixing today's commodity and stock prices. What these are is ably shown in a special review. Page 9. An interesting chart. Page 11. The bond market. Page 5.

The New Deal

A further exposition of the Roosevelt programme for saving our economic civilization. In "The World at Large," column, page 6.

Europe and Britain

John A. Stevenson writes from London of the distrust hovering over Europe and he gives a hint of what Britain will seek at the World Economic Conference. Page 1.

Brain Trust

Who are these mysterious liberal-minded academicians who have ousted experienced officials as advisers of the American president? Intimate glimpses by a staff writer in Washington. Page 10.

"Gold" Bonds

Can the holder of gold bonds hope to collect in gold at the former rate when currencies are revalorized? British and American court decisions are at variance. A useful discussion. Page 1.

Labor at Bay

Tom Moore, Labor's chieftain, in interview outlines the objectives of organized labor in Canada. Page 8.

Outposts of Nickel

First of a series of articles telling the little known story of International Nickel's enormous plants outside Canada that build business for Canadian mines. Page 20.

French Canada

The Post's annual supplement on the French Canada market; what it comprises and how to sell it. Pages 12 to 16.

COMMODITIES BUYING MOVE COMMENCES

U. S. Branch Plants Get Orders to Build Up Stocks

Canada-United States telephones buzzed during the past week as orders were transmitted to Canadian branch plants to stock up now with raw materials for future requirements.

Canadian companies are somewhat slower in getting under way in this respect, The Financial Post discovered by a canvass of leading manufacturers and merchants, but there are definite indications that another week or so of continued high commodity prices will see the whole group stocking up to the limit of their ability.

Caution is the watchword at present as too many companies have had sad experience with commodity price flurries during the past two or three years, but increased demand on manufacturers and consequent increased purchases of raw materials have been recorded. The feeling seems to be daily growing more general that on this occasion increased prices are here to stay for a considerable period at least. The experience of Great Britain when that country went off the gold standard and failed to hold the immediate gain in commodity prices is one factor which is creating doubt regarding the present situation in the minds of Canadians.

No such doubts seem to trouble experts in the United States. Opinion there seems to favor a continuation of the price increases and reports from commodity markets indicate that both spot and future buying is on the increase. With Washington definitely committed to an inflationary policy and in

(Continued on page 2, col. 4)

Price Bros. Operations Will Continue as Before

From Our Own Correspondent

MONTREAL.—Mill operations of Price Bros. & Co. will be continued, according to Hon. Gordon Scott, who was recently appointed liquidator for the company. There had been rumors that the newsprint plant would be closed down on May 15, but this is officially denied by the liquidator.

Operations of Price Bros. & Co. at present comprise mainly the running of the newsprint mill at Kenogami and a few of the sawmills. Newsprint sales have been on a downward scale for several months past and no immediate improvement is seen for that department.

Have Necessary Capital

There have been no important changes in either the company's operations or personnel since the appointment of the liquidator. Sufficient funds have been secured from the banks to carry on the business. Some readjustments may have to be made on future loans, but up to date the company has received all the capital necessary for continuing operations.

No announcement has been made of late by the Bondholders' Protective Committee. Matters are still being investigated and it is unlikely that any pronouncement will be made until after the liquidator has had an opportunity of making a full investigation into the affairs of the company.

FEDERAL BILL AIMS TO CURB BANKRUPTCIES

Compromise Now Possible For Corporation Debtors and Creditors

EXTENDS PRIVILEGE

Proposed Act Gives All Firms Chance to Reorganize if Three-Quarters Approve

From Our Own Correspondent

OTTAWA.—To preserve the integrity of hundreds of companies, to prevent the dismissal of some 100,000 persons presently employed by them—this is the mission of an act to facilitate compromises and arrangements between companies and their creditors, which is being sponsored in Parliament by Hon. C. H. Cahan, Secretary of State, and which is believed certain of enactment at this session.

Because of the sweeping provisions of the bill, of the large number of debtor and creditor interests that it will affect, the measure has evoked much interest and aroused some fears. Bondholders and other creditors have detected in the bill an intention of weakening their position, of sacrificing their investments to the advantage of debtor companies. But when the measure is clearly understood these fears will be proved groundless and it will become apparent that the true purpose of the bill is to enable the rank and file of creditors and bondholders to safeguard their investments, prevent companies being liquidated under ruinous circumstances.

Extend Privileges to All

As a matter of fact the bill will extend to all companies privileges and safeguards now possessed by a minority of them. There are many companies in Canada whose charters and trust deeds provide that in case of financial trouble, the creditors may hold meetings, devise a plan whereby the company may weather temporary difficulties either as a result of a direct arrangement with its creditors or as a result of a reorganization.

These companies, for the most part, are of recent incorporation and their charters and trust deeds were drawn by competent lawyers. To these companies, the new legislation will make little difference.

Many in Difficult Position

But there are thousands of companies in Canada whose charters and trust deeds make no provision for a compromise of temporary difficulties with creditors. Their position under existing laws follows: Any creditor owed more than $500 by a company, or any bondholder whose interest is in default, may obtain a judgment from the court and 14 days thereafter may force the company to resort either to the Bankruptcy or the Winding-up Acts. Under these statutes the company passes under the control either of a trustee in bankruptcy or of a liquidator. The company is disrupted and its assets virtually are sold under the hammer.

It is open to any creditor or bondholder almost regardless of how small his interest may be in relation to other creditors or bondholders to force the dismemberment of the company.

Way of Escape

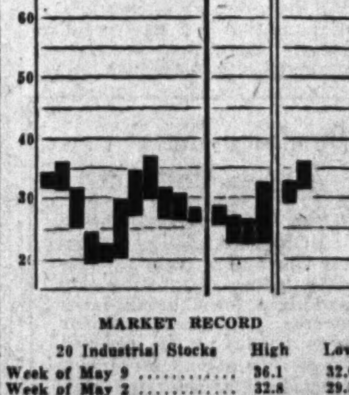
Under the proposed statute, a way of escape is opened to companies which are faced with difficulties of this character and to that extent it might be argued that the rights of creditors and bondholders are to be interfered with.

In a word, the bill will not, materially affect modern incorporations whose charters and trust deeds provide for the surmounting of temporary difficulties. But it will extend to all companies the privileges now possessed by these few.

Under the bill it will be open to the company itself, or if it is already in process of liquidation, the trustee in bankruptcy or the liquidator, or to any creditor or

(Continued on page 2, col. 1)

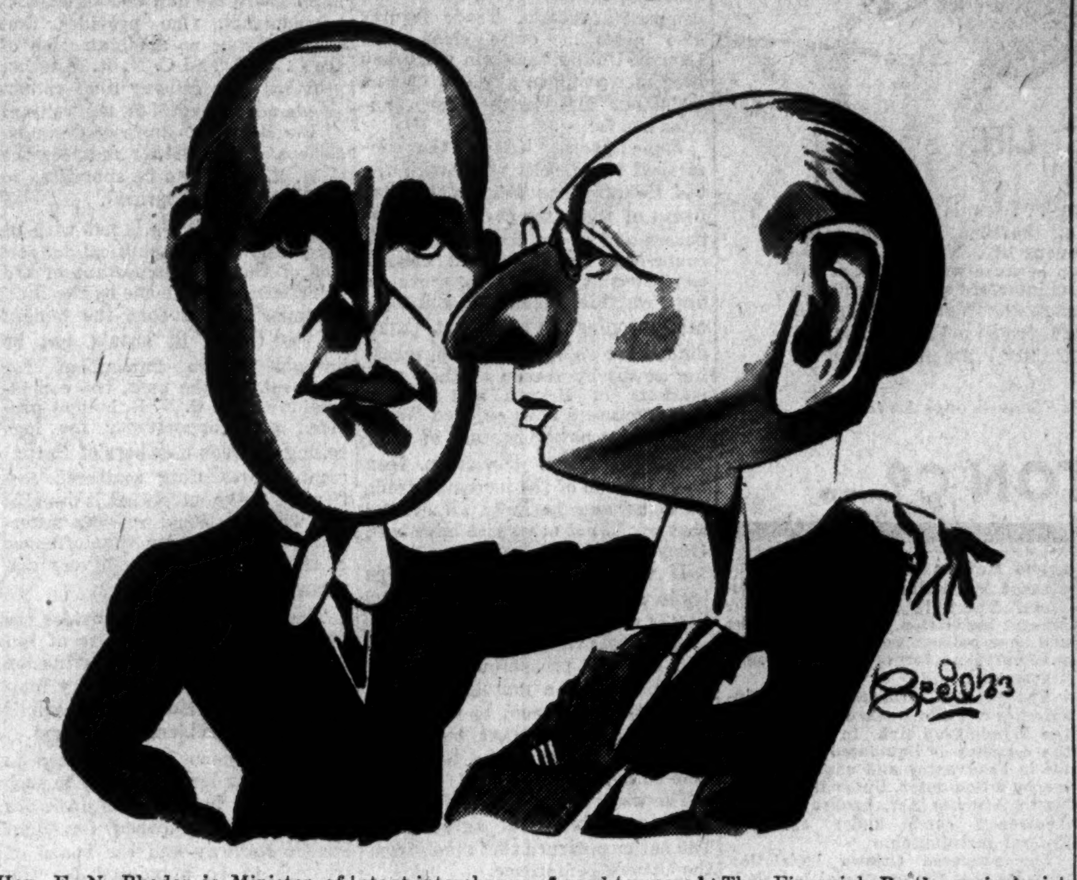
Stock Market



MARKET RECORD

20 Industrial Stocks	High	Low
Week of May 9	36.1	32.0
Week of May 2	32.8	29.3
Month of May, 1932	24.1	18.4
10 Public Utilities		
Week of May 9	47	44
Week of May 2	46	42
Month of May, 1932	42	34
8 Bank Stocks		
Week of May 9	155	150
Week of May 2	150	145
Month of May, 1932	165	151

They Scrap but They Really are Great Friends



Hon. E. N. Rhodes is Minister of Finance and Hon. J. L. Ralston is the chief financial critic of the Liberal opposition. In the House of Commons they indulge in a constant interchange of good-tempered criticism and reply. But actually they are good friends and have been since they were school boys together in Amherst, Nova Scotia. The Financial Post's caricaturist shows Col. Ralston at the left and Mr. Rhodes at the right. See story page 11.

LONDON GIVES GOLD MARKET AT HIGH PRICE

First Mint Shipment Yields $22.60 in New York Funds

On May 9 the first sale of Canadian gold through the new marketing channels in London, England, was consummated. When the United States went off the gold standard on April 19, marketing methods became disorganized because for years the United States has been the logical centre for the sale of the Canadian production. The disruption has had no worse effect, however, than to gain for the Canadian producer the best price he has enjoyed since Great Britain went off the gold standard in September, 1931.

In so far as the Canadian gold mines are concerned there has been no change in the method of marketing. The gold produced, as in the past goes to the Canadian Mint at Ottawa, which markets it and pays the producers the standard price of $20.67 per ounce, plus exchange compensation accruing through the fluctuations of currency.

London is the only free market in the world for gold. Here sales are a matter of negotiation through brokers with the price varying as determined by monetary conditions and by supply and demand. The Bank of England has been a heavy buyer of gold in recent months.

Gold Near $27.50 Per Ounce

Final settlement of the initial shipment made by the mint to London has not yet been made with the producers, but the price received worked out to $22.60 per ounce in New York funds for the mint. It has not been finally settled by the mint just what rate of exchange will be paid the Canadian producers. The closing rate of premium on United States funds on April 28, when the sale was made to the London brokers, was 15⅛ per cent, while the closing rate on May 9, the day of settlement by the London brokers was, 14⅝ per cent.

The gold for London delivery is shipped through the port of Montreal and the price governing the sale is that negotiated by cable with the brokers. Settlement dates are about two weeks delayed due to transportation. A second sale was negotiated on May 2, at a price of 123s. 9d. per counce for delivery and settlement on May 16. On the basis of current rate of exchange for sterling and United States funds the returns to the Canadian mines will be about $27.50 per ounce in Canadian funds.

What About Gold?

With the international economic conference coming next month and the question of revaluing gold mooted in more than one Government circle, the question confronting the investor in gold mining shares is just what will happen in the interval before the question of revaluation is settled, should France and Holland, the principal countries on the gold standard, decide to cast it overboard.

Those best informed on the subject believe that the effect will be a continuation of the free market with the supply and demand for gold largely governing its price. It is believed too that the relative values of currency of the leading nations, despite the fact that they are off the gold standard, will influence the price of the commodity.

It is believed that gold will still be the monetary yardstick. At what price it will be revalued, if at all, is an open question; that is what is making the speculative market in the gold shares at the present time. Already it has been shown that gold is selling on a basis of

(Continued on page 2, col. 6)

World Parley Meets With Europe Nervous; British Make Plans

Hitler's Braggadocio Arouses Distrust in Britain

DEBTS AND GOLD

British Link Cancellation of War Debts With Rise in Prices Throughout World

By JOHN A. STEVENSON

LONDON—The decision that the fateful World Economic and Monetary Conference should open in London on June 12 has been hailed with expectant hopefulness and has started a flood of discussion and controversy about its possibilities. Concerning these, intelligent commentators who face realities are taking a very restrained view and are not disposed to stimulate too high hopes. The cold truth is that the political turmoil from which Europe has been suffering since the war is a prime obstacle to the spirit of economic co-operation and mutual sacrifices, which is indispensable to the rescue of the world from its present impasse, and that in recent months, so far from showing signs of abatement, it has been aggravated largely as the result of developments in Germany.

German Loses Friends

In that country Herr Hitler and the Nazi party are firmly in the saddle and, having effectively crushed all opposition, are in uncontrolled command of German policy. In his speeches Herr Hitler has been studiously moderate in his references to international relations and stressed Germany's desire to promote international peace. But actions speak louder than words. There is no disguising the fact that the policies of the Nazis and the evidence given by them that the old domineering spirit of Prussianism has not only not been exorcised but has even assumed a more brutal and menacing form, have destroyed in two months all the sympathetic goodwill toward Germany which had been created by her difficulties and revived the old distrust of her motives and aspirations which prevailed before the war. This distrust has been openly voiced amid the universal condemnation of the press and public by prominent British statesmen like Lord Grey and Sir Austen Chamberlain, by representatives of the Little Entente, like Dr. Benes of Czechoslovakia and by the press of France, Sweden, Denmark and other countries who are Germany's neighbors.

The disquietude has also within the last week been aggravated by the attitude of Herr Nadolny the German representative at the Disarmament Conference who has advanced demands calculated to wreck it.

But the German situation is not the only source of trouble as there is an acute political crisis in Jugo-Slavia as the result of the sentence of three years imprisonment passed upon Dr. Matchek, the leader of the three million Croats who have been agitating for a termination of the present dictatorship and a measure of political economy. The Croats may break out into open revolution any time and they will have the sympathy of the Italians and Hungarians who are both at odds with the government of Jugo-Slavia.

So today there exists in Europe a state of acute political tension which will bring many delegates to the council board of the World Conference with sentiments of keen distrust and antagonism to other delegates and such an atmosphere does not augur well for the development of a spirit of mu-

(Continued on page 2, col. 5)

Union Gas Shows Better Position For Last Year

Union Gas annual report due next month for the year ended March 31, 1933, will show an improved balance sheet, The Financial Post is authoritatively informed, due almost entirely to lowering of operating expenses and a moderate increase in combined revenue from industrial and domestic sales.

Union Fuel Investments—subsidiary owning Hamilton By-Product Coke Oven, United Gas & Fuel Co., of Hamilton and The United Suburban Gas Co.—has likewise improved its working capital position. Although earnings for the year were slightly lower, there was a saving in operating costs. Sales of industrial gas were less and the price of coke was on the average 10 cents a ton less. The coke situation is brighter, however, as the company finished its year with virtually no coke inventory whereas a year earlier it had had an enormous coke inventory.

Earnings of combined companies were within a few thousand dollars of being enough to pay all bond and bank interest after depreciation.

Bankers Deny Interest Cut On Commercial Loans

No general reduction has been made in the rate of interest charged on commercial loans according to prominent Canadian banking officials. Nor has there been a general reduction in the rate charged on call loans and personal loans. Concerted action by the chartered banks in lowering the rate on such loans is not regarded as practical or advisable since the credit status of the individual borrower is the deciding factor in reducing interest charged.

There has been a general reduction of one half of one per cent on the interest rates charged provincial and municipal borrowers and on agricultural loans. This reduction has been automatic, it is understood and coincident with the reduction made May 1 in the rate on deposits.

Some bond dealers have been able to secure a reduction in the rate paid on call loans secured by the highest grade collateral, Dominion of Canada bonds. The rate on this class of loan has been reduced from 5½ per cent to 5 per cent. Stock brokers have had no reduction in the 6 per cent charged to them on secured loans.

Dome Mines, Ltd., Declares 25 Cent Bonus Dividend

Dome Mines, Ltd., at its annual meeting this week declared a bonus of 25 cents a share in addition to its regular quarterly dividend of 25 cents.

Since the middle of 1932, shareholders have received 85 cents per share in "extra" dividends. This includes the new bonus of 25 cents.

GOLD CLAUSE LAW AT ODDS IN U.K., U.S.A.

British Courts Say It Means Payment in Lawful Money

NO CANADIAN RULING

U. S. Decision of 1868 Held That Payment Should Be Made in Gold Coin or Bullion

Directly opposite interpretations of the gold payment clause in bonds have been given by the Appeal Court in Great Britain (in 1932) and by the Supreme Court of the United States (in 1868).

Bonds carrying the gold payment clause are payable in lawful money of the realm, not in gold bullion, according to the latest British legal decision. In the United States, it was held in 1868 that such obligations are payable in actual gold bullion or coin, but no recent decision has been made. Apparently there has been no Canadian decision.

The British decision is now being appealed to the House of Lords.

Canadian courts may follow the British precedent, if a ruling is sought. No one knows what the United States Supreme Court will do, when and if the question is brought before it. But it would have difficulty forcing payment in gold, if the metal cannot be obtained, as at present.

Position of Bonds

The following, therefore, appears to be the position of various gold clause bonds:

(1) Bonds, which are payable in U. S. gold coin, should at least be obliged to meet payment in lawful money of the United States. Perhaps the debtor will be legally required to find actual gold coin, which would be practically impossible in present conditions.

(2) If the gold content of the U. S. dollar is reduced, the Supreme Court may require payment of gold clause bonds on the former gold basis. This would be the position according to the nearest parallel case. But it may be changed by a new ruling.

(3) If the gold content of the Canadian dollar is reduced, courts in this country may rule that payment on gold clause bonds is to be made in the new lawful money. This would follow the British precedent. No British decision has actually been based on reduction of the gold content. But an equivalent ruling has been made.

(4) Bonds, which are payable in Canadian gold coin only, may be governed by the British precedent. They would, under such ruling, be payable only in lawful money of Canada, no matter what its gold content has been or may have in the future.

Single Question

The whole legal position of gold clause bonds appears to rest on one question: Are such bonds contracts to pay in lawful money or in gold bullion?

In Great Britain, the Chancery Division and the Court of Appeal ruled in a recent case that such bonds were based on a contract to pay a debt in money. As the Government had subsequently provided that debts should be paid in legal tender bank notes, such payment would now satisfy the debt. In brief, the Government had changed the legal means of payment. Canadian courts would probably be inclined to support this ruling, since the constitutional powers of our Government are similar to those in Great Britain.

U. S. Decision of 1868

In the United States, the case of Bronson v. Rodes, decided by the Supreme Court in 1868, is the nearest parallel to the present position. The court held that a bond payable "in gold and silver coin, lawful money of the United States," could only be satisfied by payment of gold coin. The ruling was:

"A contract to pay a certain number of dollars in gold or silver coin is in legal import an agreement to

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THE AQUA

A WATCH WHICH LIKES A SPORTSMAN'S LIFE

Golf . . . riding . . . tennis . . . here's a watch you can wear all the time. A watch specially built for a strenuous life. You can even wear it when swimming, because water, dust or dirt cannot get inside and interfere with its accurate 15 jewel Swiss Movement. Wear an "Aqua" and you have a faithful friend ever "on hand." With leather strap—$22.50. With metal band—$25.00.

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T. EATON CO LIMITED

FEDERAL BILL AIMS TO CURB BANKRUPTCIES

(Continued from page 1)

bondholder, to make application to the courts. As a result of such application it shall be competent for a judge to order meetings of creditors and/or bondholders, or of any class of either, and at these meetings plans for re-organization of for overcoming financial difficulties will be considered.

If any plan meets with the approval of the holders of three-fourths of the value of the company's obligations, the judge is empowered to compel its adoption. The decision of the court, in this regard, will be binding not only upon the company but all the creditors. If an application is made while a company is in process of liquidation, the liquidation will instantly be halted until the decision of the court is made.

If the support of three-fourths of the creditors or bondholders cannot be obtained, the court will have no jurisdiction to impose any plan, and the rights of all creditors will remain unimpaired.

As to jurisdiction, an application may be placed with the court having jurisdiction in the province in which the company has its head office. If the company has not got a head office in Canada, then the action may be taken in the court having jurisdiction in any province where the company possesses assets.

As to the constitutional phase, the bill applies to all Dominion incorporations and it applies, also, to provincial incorporations in so far as there is no conflict with provincial law.

Two Creditor Classes

Creditors are divided into two classes — secured and unsecured. Both appear to have equal rights before the courts. An unsecured creditor, as the word indicates, is one who has loaned money to a company without taking any security. A secured creditor is a holder of a mortgage, hypothec, pledge, charge, lien, assignment against all or any property of a company as security for indebtedness; a bondholder, a holder of debenture stock secured by a mortgage, pledge, charge lien, etc.; a trustee under any trust deed or other instrument.

The intention of the government is clear and was stated to The Financial Post by Hon. C. H. Cahan, Secretary of State, who is the author of the legislation. Precisely similar legislation was enacted in Great Britain in 1929. In the United States legislation of this kind was applied to railway companies in 1932 and to all companies in 1933.

The object of the proposed legislation is to prevent disrupting businesses which may become insolvent, and which lose goodwill and whose assets may be dissipated under the present legislation governing liquidation. There is no method, under present legislation, whereby creditors and shareholders may meet and make a compromise for operation of such a company.

The present statutes covering insolvency are the Bankruptcy Act and the Winding-up Act. In the former the company is liquidated by a trustee in bankruptcy and under the latter, by a liquidator. Under the British North America Act, bankruptcy and insolvency come under exclusive Federal jurisdiction.

The proposed Ottawa legislation provides that the provincial law shall apply in respect of provincial companies in so far as shareholders are concerned. But the Dominion would provide for the convening of creditors' meetings of any companies which are bankrupt or insolvent. Courts would be authorized to proceed conjointly under the proposed act and provincial companies acts as far as shareholders in provincial companies are concerned.

In introducing the measure, Mr. Cahan said that the present depression made it particularly necessary to adopt some such legislation, whereby compromises could be carried into effect without utterly destroying a company or its organization.

GENERAL ACCIDENT INCREASES SURPLUS

Premium Volume Off 13 Per Cent—Assets Show Increase

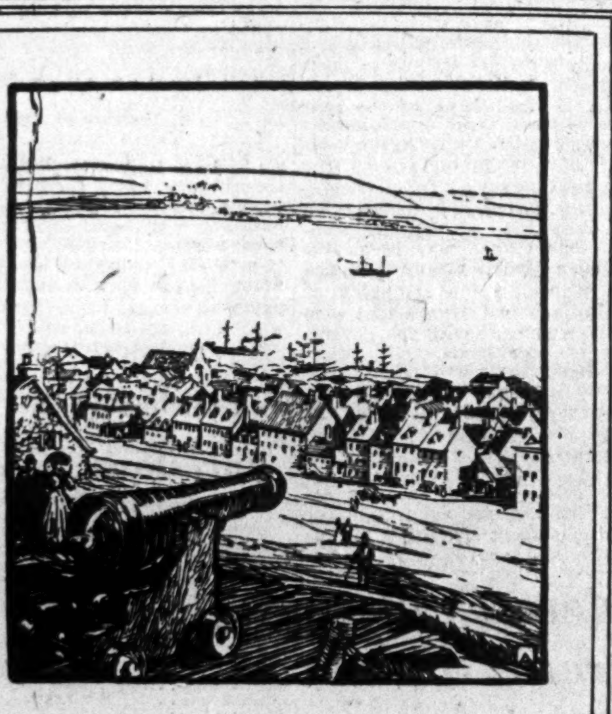
An underwriting gain for the year of approximately $12,000, and a substantial increase in surplus amounting to approximately $75,000, is reported by General Accident Co. of Canada in its 27th annual report published last week.

Net premiums written were lower by about 13 per cent at $1,017,000 but income from investments, rents and so forth showed a gain of about $3,500 for the year at $97,642. Receipts were further augmented by reason of a decline in reserve for unearned premiums amounting to $39,000.

Assets totalled $2,370,190, an increase of $35,000 from 1931, the chief item being investments which are shown at book value at $1,395,000. These are "not in excess of the values authorized by the federal superintendent of insurance," according to the auditor's report. The company shows a surplus account over and above paid-up capital, of $1,336,600 as compared with a corresponding item of $1,261,000 at the end of 1931. In addition, reserve for investments totals $25,000; contingent reserve for loss claims, $86,300, and capital subscribed and paid up, $135,000. Unearned premium reserve totals $549,216.

	Net Prems. written	Net Losses Incurred	Ratio
Fire	$82,772	$39,797	44.6*
Automobile	347,930	377,286	82.7*
Accident:			
Personal	101,452	47,415	46.7
Other	118,381	48,034	40.6
Sickness & acc.	38,725	18,558	47.9
Burglary	66,556	12,280	18.4
Fidelity	22,850	13,956	61.1
Surety	33,114	31,256	94.4
Elec. machinery	36,141	15,682	43.4
Plate glass	25,682	11,243	43.8
Sickness	59,852	44,217	73.9
Emp. liability	24,171	17,849	73.8

*Earned loss ratio.



THROUGH MANY YEARS

In historic Halifax, over sixty years ago, seven merchants founded The Royal Bank upon sound and conservative principles. To these principles the Bank has steadfastly adhered. Changing conditions have only established its strength and experience.

THE ROYAL BANK OF CANADA

The Nation's Business

(Continued from page 1)

useful purpose; without concealment or sugar-coating it came home to the people and made them angry. The next step will be for the people to join their business leaders in demanding economy.

* * *

Ottawa Pacts Help to C. P. R.

E. W. BEATTY, chairman and president of the Canadian Pacific Railway, declares that the Ottawa agreements have aided the Atlantic freight revenues of the company's vessels. Trade figures also made it quite clear that Canada-United Kingdom trade has been increasing in physical volume while our trade with other countries has fallen.

Some people believe that increased trade both ways with the Old Country has been at the expense of the sales over home producers and of our trade with other countries. Under present chaotic conditions it is hard to prove or disprove this contention. But logical reasoning tells us that Canadians have enjoyed larger purchasing power by reason of their new markets in Britain and British manufacturers have enjoyed larger purchasing power because of their sales in Canada. Obviously, then some portion of the increased trade must be new business all around that would not otherwise have been enjoyed.

If we can work out a suitable trade agreement with the United States a like result will follow.

As tariffs come down all nations will be more prosperous. International trade is a mutual affair in which trade balances to be settled in gold are important but much less important than the total volume both ways.

The way to blast the tariff structure is by bi-lateral agreements. The nations learned that much from the Ottawa conference.

It is simple justice that the company headed by Mr. Beatty should benefit from the Ottawa agreements for he was an influential factor in bringing Baldwin and Bennett together and forcing the conference to a successful issue at a moment when things looked bluest.

Railway Problem Stays With Us

AT THE annual meeting of the Canadian Pacific Railway, E. W. Beatty, chairman and president, expressed the opinion that the railway bill which has just passed the House of Commons is an inadequate solution for the railway problem of Canada.

Many of the recommendations of the Duff Commission have disappeared in the course of the debate. There are new and significant amendments. One provides that there may be no amalgamation of the C. P. R. and C. N. R. Another provides that railway lines cannot be abandoned without the consent of the Board of Railway Commissioners. Still another requires the C. N. R. budget to be submitted to parliament for approval.

This latter clause is not without the possibilities of political danger. One of the most important of the recommendations made by the Duff Commission was that the budget of the C. N. R. should not be brought before Parliament for approval. In the past, the consideration of the C. N. R. budget provided such opportunity for log-rolling between members of Parliament, representing scattered sections of the country, that it brought the whole national railway enterprise directly under the influence of sectional politics with very distressing results.

The new legislation provides the opportunity for a measure of improvement in the railway situation but Canadians would be very foolish to assume that we have solved the railway problem by this act.

At the moment the public can do no more than look hopefully to such co-operation between the directors of the privately-owned Canadian Pacific Railway and the board of trustees to be appointed for the Canadian National Railways as will provide some relief in the near future. And inevitably any failure to achieve relief for the taxpayers will force consideration of whatever more drastic action may be necessary before the present $100,000,000 per annum loss on the government lines can be curtailed.

THRIFT STORES PROFIT IN 1933 RECORDS GAIN

Montreal Chain Store Firm Does Larger Retail Business

From Our Own Correspondent

MONTREAL.—Operating profits of Thrift Stores Ltd., grocery store chain operators in Montreal, were on a better scale in the fiscal year ended March 31, 1933, than in the preceding twelve months.

Retail sales increased in dollar value from $4,017,749 to $4,132,036. In addition the company had wholesale sales last year of $329,623 making a total turnover of $4,461,659.

Operating profits for the 1933 fiscal year totalled $111,837. This compares with $107,130. After taking care of all prior charges and dividends on the first and second preferred stock, there was a balance of $44,247 as against $47,191 in the previous year. Particulars of the income account follow:

	1932-33 $	1931-32 $
Oper. profit	111,837	107,130
Depreciation	36,793	28,789
Net profit	75,044	78,341
First pfd. div.	22,396	22,750
Second pfd. div.	8,400	8,400
Balance	44,247	47,191
Prev. surplus	95,615	55,189
Balance	139,863	102,380
Tax adjust., etc.	20,151	9,084
P. and L. balance	119,711	93,296

WORKING CAPITAL POSITION

	1933 $	1932 $
Current assets	523,760	492,427
Current liabs.	159,932	151,833
Working capital	363,828	340,594

Assets of Thrift Stores at the end of last March aggregated $742,394, up from $715,129 on March 31, 1932. Property account shows a minor reduction at $162,057. Goodwill remains unchanged, while deferred charges are slightly higher.

CANADA DRY EARNINGS UP FOR HALF YEAR

Canada Dry Ginger Ale Inc. shows improved earnings in the six months ended March 31, 1933, over the corresponding period of 1932, with net income for the period up to $88,314 from $18,182. Net income in the three months ended March 31, 1933, was $86,388 as compared with $41,742 in the corresponding quarter of 1932. Part of improvement is stated to be attributable to changes in accounting methods as they affect charges for depreciation. The principal effect of the changes in accounting is to reduce the book value of property and to adjust the rate of depreciation to be applied to this new value base. Income for the first six months of the year was greater by $54,645 than it would have been had this accounting change not been made.

The improvement in net income is shown despite a reduction in Canadian sales and a very heavy loss in sales of "flavor beverages" such as sarsaparilla, sold only in New York and New England. The drop in Canadian sales is stated to reflect principally the fact that the changes in general business conditions in Canada were more severe during the past six months than in the United States.

CONSOLIDATED INCOME ACCOUNT
Six Months Ended Mar. 31

	1933 $	1932 $
Gross earnings	1,156,893	1,090,452
Less: Expenses	1,046,946	932,322
	109,947	158,130
Other income	29,248	39,830
	139,195	197,960
Less: Other deduct.	14,763	57,748
Depreciation	27,198	84,913
Income taxes	9,245	12,500
Interest	1,601	1,062
Net income	86,388	41,742

COMMODITIES BUYING MOVE COMMENCED

(Continued from page 1)

view of the decline in value of the United States dollar in terms of gold, increased prices even from the present levels are considered a certainty. In this regard, the May 8 issue of the New York Journal of Commerce, states:

"The upward trend is expected to continue in the immediate future, though it will probably be much influenced by developments at Washington. The substantial increase in industrial activity and changing popular psychology are expected to cause broader buying and higher prices for many types of consumer goods within a few weeks. This week prices of steel products, lumber, lead, cotton, and many types of chemicals are expected to rise while any reactions which occur will probably be temporary."

Price Trend

During the past week commodity prices in both Canada and the United States have maintained the advances shown in April, commodity price indices increasing about 2 per cent. Naturally, some commodities made greater advances than others, but all moved higher. United States weekly indices advanced as follows during the week ended April 6: N. Y. Annalist, from 86.3 to 87.9; Fisher's, from 58.6 to 59.2, and N. Y. Journal of Commerce, from 57.6 to 58.5.

This week's check-up by The Financial Post of representative buyers and sellers of leading commodities revealed that in certain industries definite improvement in demand was being experienced. A large metal dealer stated that very good demand had ruled during the past week with larger than usual orders for tin, lead and antimony. He stated that his firm was immediately covering itself on all these orders and had gone a little ahead in the purchase of materials.

The same feeling was evident from the remarks of a large user of raw cotton. No plunging into the markets was contemplated but stocks were being kept just a little higher than had been the case for a year or two. One of the largest United States branch plant enterprises in Canada has received orders from its parent company to purchase immediately all materials necessary for the next six months.

Exchange Difficulties

Purchase of raw materials by some manufacturers has become extremely difficult since United States went off the gold standard as the relationship between New York prices and gold prices is often in doubt. In purchasing raw materials from European sources, most commodities are quoted on a New York basis and this has complicated the situation.

The situation as far as the silk industry is concerned is also complicated owing to exchange difficulties, but there is evidence that some buyers are trying to profit by prospectively higher prices through placing their orders now. A department store, The Financial Post is informed, recently placed an order for a large quantity of silk piece goods for late summer delivery, this order necessitating immediate purchase of raw silk by the manufacturer in order to protect himself.

Gleneagles Investment Co. Position is Being Surveyed

From Our Own Correspondent

MONTREAL. — Rumors that the bondholders of the Gleneagles Investment Co. would foreclose on the property are regarded here as premature. A committee of the Dominion Mortgage and Investment Association is continuing its investigation into the affairs of the company with a view to arriving at a decision.

The company did not pay interest charges due December 15 on $1,000,000 of 6½ per cent first mortgage bonds and is now in default as the period of two months grace elapsed on February 15 last.

Canada May Try Conversion Loan Of $750,000,000

Notice has been given by Hon. E. N. Rhodes that a resolution will be presented to parliament requesting authority to issue up to $750,000,000 in Dominion bonds to pay or redeem existing debt. This is the first step toward floating a huge refunding and conversion loan in the late summer or early fall of this year, as previously indicated in The Financial Post. The Government hopes to be able to reduce the interest on part of its debt by this operation.

The Dominion has 50 million dollars of treasury bills due to banks on Aug. 1. There is also 60 millions due in New York on Oct. 1. The largest lump sum of debt due this year is 170 millions of 5½ per cent Victory bonds due Nov. 1. There will also be 226 millions of 5½ per cent bonds falling due in 1934. Attempts may be made to refund or convert all or any of these issues, and to induce holders to convert other Dominion bonds at lower interest rates.

The success of the Government in reducing the interest rate by conversion and refunding operations this year will depend on the attitude of the Canadian bond market on high grade obligations. Some observers do not believe that rising prices for commodities, low grade bonds and common stocks will improve prices for gilt-edged securities. Others do not see how an improvement in business due to higher commodity prices can hurt the market for gilt edged bonds. Reduction of interest on savings deposits is expected to help the Government conversion programme.

WORLD PARLEY MEETS WITH EUROPE NERVOUS; BRITISH MAKE PLANS

(Continued from page 1)

tual accommodation such as will be necessary to achieve even a limited measure of success. Much will depend upon the attitude of the American Government and the impressions gained from correspondents' accounts of the conversations at Washington indicate that the British and American Governments have reached a satisfactory understanding which will enable them to present a common front and exert real pressure upon recalcitrant European countries. The French too are likely to be reasonable for their financial difficulties have become serious and they were recently compelled to secure from a syndicate of British banks a credit for 30 million pounds.

Treaties Keenly Debated

The British Government has made an effort to create a favorable atmosphere for the conference by publishing the terms of trade agreements which it has concluded with Denmark and Germany and another treaty with Argentina has been signed. The new treaties however have not been received with wholehearted approval in Britain; the farming community dislikes the generous terms which have been accorded to agricultural imports from Denmark and a powerful group of Conservative politicians, headed by the representatives of the Birmingham area, have denounced the treaty with Germany on the ground that, by the reduction of duties on a variety of industrial products in return for Germany's agreement to take a larger quantity of British coal, a number of British industries have been sacrificed for the benefit of the British coal mining industry. Indeed, during the debate in the House of Commons, Mr. Runciman, the president of the Board of Trade, was driven to make an open threat of resignation if the treaty was rejected.

There has also broken out in the ranks of the Conservative party a violent quarrel over the Indian policy of the government; Winston Churchill and Lord Lloyd head an influential body of malcontents and the solidarity of the support behind the National government is being seriously threatened at a most unfortunate moment.

Policy Being Outlined

However, the British Government regards domestic opposition as the least of its troubles and is determined to exert every effort to extract some valuable results from the forthcoming conference. It has the wholehearted backing of the country's business and financial leaders and they are already co-operating with an able group of civil servants in the formulation of the British proposals and the general preparatory work. There is naturally a wide diversity of opinion about the lines of remedial action which the British delegation should urge at the conference but among informed intelligent people what could be described as a majority view is gradually taking shape.

Its fundamental tenets are that the experience gained from the accumulated knowledge of generations proves that for the satisfactory conduct of international trade all currencies should have some metallic basis; that the first essential to generate a revival of international trade and to mitigate world employment is that prices paid to the producers of primary products in the currencies operating in their respective countries must be increased sufficiently to leave them a decent margin of profit; and that so long as gold remains the international measure of value and its accumulation in the hands of certain countries as the result of the war debt situation persists it is virtually impossible to revalue it. So war debts are linked to gold revaluation and it is suggested that an increased value for gold in relation to commodities should be accepted by international agreement and that all currencies, including the American dollar, should be revalued to such a degree as would bring the price level of commodities back to some suitable former level. As a corollary to this step, which would greatly increase the value of the United States' stocks of gold and enable her to embark upon a policy of currency inflation without danger to herself or her competitors in world markets, she should agree to the complete obliteration of all war debt obligations.

There is also a considerable body of support in Britain for the remonetisation of silver on the ground that it would greatly increase the purchasing power of Asiatic countries and relieve the pressure upon gold in connection with the settlement of adverse trade balances. All commercial interests which have business in the East favor such a move.

The view is also strongly held that a very substantial modification of American tariff policy is essential for similar action on the part of the other countries and this question will form one of the crucial issues of the conference. The British still regard their tariff structure as mainly useful for bargaining purposes and forcing down other tariffs but they will not sacrifice it without generous reciprocal concessions from the United States and other countries.

Dominion Glass' Alberta Unit Active

From Our Own Correspondent

MONTREAL.—The Dominion Glass Co.'s plant at Redcliff, Alta., is running day and night, for a three months stretch, filling orders for beer bottles to be shipped west. The strong movement started during the third week of April, when seven carloads were shipped out. Since then an average of three cars a day have been moving out and shipments are likely to continue at this rate until the end of July.

LONDON GIVES GOLD MARKET AT HIGH PRICE

(Continued from page 1)

about $27.50 per ounce in Canadian currency and many are of the belief that at such a figure any revaluation programme is being well discounted.

The Financial Post in past months has discussed the probabilities of revaluation of gold and endeavored to show what it means in terms of earnings to the gold producers. Since that time there has been a substantial appreciation in the value of gold shares. Whether or not higher prices for gold shares are warranted on the strength of a higher price for gold, the possibility is making a market that is registering new high levels in recent times, for many leading issues.

In the event of revaluation of gold, a factor in interpreting its effect on probable earnings, is that the grade of ore being treated today by the mines will not necessarily be treated should gold be revalued. Millions of tons of what is now waste rock becomes ore when gold advances in price and it is conceivable that the mines will treat this lower grade ore while it is still profitable. Revaluation of gold and inflation spell higher cost operation for gold mines and the treatment of lower grade ore carries with it lower profits per ton but permits of an enlarged milling programme.

GOLD CLAUSE LAW AT ODDS IN U. K., U. S. A.

(Continued from page 1)

deliver a certain weight of standard gold to be ascertained by a count of coins each of which is certified to contain a definite proportion of that weight. It is not distinguishable in principle from a contract to deliver an equal weight of bullion of equal fineness."

Justice Miller of the Supreme Court, in his dissenting opinion on the Bronson v. Rodes case, gave practically identically the same opinion as that recently given by the British courts. He held that the bond was not a contract to deliver bullion. He said that the bond was contract to pay a debt. When the Government decreed that notes it was issuing should be accepted as legal tender for all private debts, it intended that its decree should be observed.

A great difference distinguishes the economic periods in which the two decisions were made. In 1868 money had been depreciated in the United States by issue of "greenbacks." Prices had risen, and the value of the debt was, therefore, less in actual purchasing power. In 1932, prices in Britain had fallen, and the debt had, therefore, grown in terms of goods.

Legal opinion in the United States is divided as to what the Supreme Court may decide in the light of present circumstances.

U. S. Lawyer's Opinion

One lawyer says that it would appear that since the United States Congress has the power to issue currency, it would also have the power to declare such currency legal tender for payment of all debts. By this reasoning, the U. S. Congress could modify existing contracts payable in "gold coin of the present standard of weight and fineness." Any other interpretation of the powers of the United States Government would result in great confusion, and would interfere with the administration's monetary policies.

Lawyers in the United States have also been stated to expect the Supreme Court to uphold the gold clause as applied to any particular contract. How such a stand can be maintained with regard to a situation in which the Government stops gold payments is uncertain. Legally it might be obligatory to pay in gold, but practically it would be impossible.

Dispute on Foreign Holders

There is heated dispute at present on the position of the foregin holder of bonds payable in gold coin of the debtor country. Some argue, for instance, that interest on United States bonds, which is payable in U. S. gold coin, should be so paid to foreign holders. Others argue that internal holders are being paid in legal tender notes and that foreign holders must also accept such payment. This is the view of the United States government.

Canada has obligations payable only in Canadian gold coin. These are being paid in Canadian paper dollars to both domestic and foreign holders. Canada also has bonds payable in United States gold coin. These must be paid at least in United States paper currency.

We appear to have assumed what the United States government has assumed. That we should pay our internal debt only in our own legal tender, not in gold. Some newspapers have severely criticized the United States government for this attitude. The New York Times calls it "cheating a few foreigners . . . because we first cheated a large number of Americans." There is some distinction between Canada and the United States because our wealthy neighbor to the south has the largest stores of gold in the world. We have not.

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These are not generalities. The record of leadership is backed by official Government registration figures, available to everyone who cares to check them. Here is what these figures show in the various price fields:

Cars under $1,000—Chevrolet is not only far ahead in this group, but is outselling *every* other car in Canada by a tremendous margin. Moreover this margin is based on value, not on price alone.

$1,000 to $1,500—Pontiac is well out in front here, establishing a lead that is a sensation in the industry. Oldsmobile, leader in style, is also far up with the leaders in sales.

$1,500 to $3,500—McLaughlin-Buick, its supremacy unchallenged for 25 years, has left all other cars in the medium-priced field farther behind than ever.

$3,500 and up—Cadillac and LaSalle, unapproached in quality, provide a combination that holds unquestioned leadership in sales among the higher-priced cars.

In the truck field, too, figures tell the same story: The six-cylinder Chevrolet leads *all* trucks in sales. And above the lowest price class it's the husky General Motors Truck that sets the pace!

These *facts* and *records* are brought to your attention so that you may judge for yourself the real leaders in design and value as elected by the only vote that counts—the vote of the men and women whose car purchases in 1933 are being made more shrewdly and carefully than ever before. When you study these achievements remember, too, that they are the surest indication that owners of General Motors cars are *satisfied* owners. For continued leadership is possible only because people who have once driven these cars buy them again and again.

Most people today realize that General Motors provides *extra values* which it is impossible to find elsewhere. The motorist himself has helped build in these extra values. Only a few months ago General Motors asked 150,000 Canadians for their ideas about cars. Tens of thousands replied; and thus many of the refinements of comfort and convenience in General Motors cars today result from the recommendations of practical motorists.

Paramount among all the suggestions made to us by car owners was this request: "Improve motor car ventilation!" And to the thousands who urged that boon we say—drive a car with Fisher No-Draft Ventilation, individually controlled. This fundamental improvement, making the 1933 car a far more comfortable, pleasant and healthy vehicle than any automobile has been before, is another of the factors that have given General Motors unquestioned leadership. For, though this new system of ventilation is widely imitated, it is obtainable only on General Motors cars, in which it is a built-in feature.

Providing such comforts and improvements, suggested by thousands of Canadian motorists . . . such values, achieved by engineering skill and great resources . . . naturally these cars are better fitted than any others to Canadian needs. Naturally, too, these are the cars that Canadians are buying. For they are truly Canadian, not only in design, but in manufacture as well . . . And as the "driveaway" goes on at General Motors plants, countless products of Canadian forests, mines and mills flow in, and thousands of Canadians find increased work.

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The Economy Straight Eight. Nine beautiful models for you to choose from. Striking new colors. Prices range from $1,010 to $1,219, delivered at factory, Oshawa. Freight and licence extra.

OLDSMOBILE

The Completely Modern Car, offering you a new Six and a thrilling Straight Eight . . . in eleven models at prices from $1,211 to $1,598, delivered at factory, Oshawa. Freight and licence extra.

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The Car the World Respects. There are four series of Straight Eights, comprising twenty-five models . . . at prices from $1,546 to $3,501, delivered at factory, Oshawa. Freight and licence extra.

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For new distinction in motoring. There is a selection of seven models . . . priced from $4,140 to $4,870, delivered at factory, Oshawa. Freight and licence extra.

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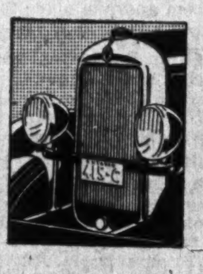

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CANADIAN PACIFIC PROPOSES TO FUND SHORT TERM DEBT

Shareholders Approve Issue of Debenture Stock This Year

BEATTY REPORTS

President Outlines Current Position of Company at Annual Meeting in Montreal

From Our Own Correspondent

MONTREAL. — Shareholders of Canadian Pacific Railway at the annual meeting of the company authorized the directors to float a 4 per cent consolidated debenture stock issue for the refunding of short-term and other maturing obligations. The amount was left to the discretion of the directors.

In his address to the shareholders E. W. Beatty, chairman and president, made detailed reference to various situations affecting the position of the company. His opening remarks were confined to operating results and changes in the balance sheet.

He went on to say, in part:

"The operations of the Steamship Company during 1932 on the Atlantic and Pacific resulted in a somewhat better showing than during 1931. This, however, was due largely to drastic reduction in expenses. In common with the experience on all international trade routes, overseas passenger traffic to and from Canadian Atlantic and Pacific ports decreased in 1932 compared with 1931. There was a small increase in passenger traffic from Canadian ports to Europe, but the westbound movement declined by 14.7 per cent. Westbound Atlantic traffic continues to be affected adversely by the general economic conditions in Europe, and our fleet which was designed in some measure to facilities the transportation to Canada of settlers approved for immigration by the Dominion Government is particularly affected by the decrease in the number of immigrants to Canada which declined from 133,141 in 1929, to 6,882 in 1932.

Cruises Were Successful

"In view of the serious shortage of traffic on our established routes, steps were taken to find other employment for your ships and our efforts have been successful. Cruises were operated from Canada and the United States as in previous years and there was a new development in short sea cruises from the United Kingdom.

"The Empress of Britain completed at Southampton, on April 19, her second world cruise and it is estimated 50,000 people visited the ship at her numerous ports of call.

Comments on Hotels—

"The hotel system and interest in other hotels and resorts represents an investment of 5.86 per cent of the total of the company's assets. In hotel construction the company followed a policy adopted early in its history. The prime object of the hotels was to promote passenger traffic on rail and steamship lines. This they have accomplished, and in so doing have played an important part in bringing Canada to the favorable attention of the world and in stimulating tourist business which, in normal times, constitutes one of the greatest sources of revenue to this country.

Dividend Action Inevitable

"It is a matter of great disappointment that your company's long dividend record was interrupted last year. Dividends were paid on the preference stock at the rate of four per cent per annum since the first issue of the stock in 1893 down to and including the first half of 1932. On the ordinary stock dividends were paid without interruption from 1882 down to 1931; for the years 1911 to 1931 the rate was 10 per cent per annum, and for 1931 five per cent per annum.

"It was inevitable, however, that with earnings at the extraordinary levels of the last two years dividends could not be continued with safety. The policy of your directors has been one of careful, deliberate and progressive retrenchment in order to meet the conditions of the times, and this policy will be continued in order that every avenue of economy may be explored. I believe it will have your approval as the best means of conserving your interests.

"Before you next assemble in annual meeting a considerable amount of financing will be necessary, and there will therefore be proposed for your consideration a resolution authorizing the issue of additional consolidated debenture stock to permit the liquidation of the company's short term loans mentioned in the annual report, and other maturing obligations To finance the obligations I have mentioned, and provide for other capital requirements, it will be necessary, if present market conditions continue through the year, to issue a substantial amount of consolidated debenture stock to be utilized as collateral security to such issues as may be found to be necessary. Owing to the uncertainty of events, it would be wise, I suggest, to confer the amplest authority on your directors for the issue of such stock.

Future of Company

"I would like to conclude these remarks by a reference to the future of the company. The shareholders will appreciate that their property is in excellent physical condition, that its financial structure is on a conservative basis and that its organization and personnel are competent and adequate. With these fundamental requirements to efficient operation fully satisfied, there remains but one thing lacking to a resumption of normal earnings and that is increased traffic. If we are correct in our estimate that more normal traffic conditions will not be long deferred, there is no reason to be apprehensive of the company's ultimate earning power. It will feel almost immediately any improvement in conditions and is fully equipped to take advantage of them. I am very hopeful it will then continue to enjoy a prosperity very similar to that of former years."

"Sound, Courageous"

"We like your paper. With more power to you in your campaign for reduced Government expenses and less taxes for the people, especially farmers."

—Manitoba Reader.

"I intended to let subscription expire in interest of economy. However, you may extend it. I now pay three subscriptions to The Financial Post and Maclean's which, I think, speaks very plainly my opinion of your publications."

—Quebec Subscriber.

"My brother, probably one of the oldest members of the Chicago Board of Trade, and president on several occasions, writes me as follows:

"'I wish to express once more my great appreciation of the copies of The Financial Post which you are good enough to send me from time to time. In my opinion, this is one of the soundest and most courageous financial publications on this continent, and I am very glad to notice that they have the courage to tell your Government where they will eventually land unless they correct their financial policies without delay.'"

—Ontario Reader.

CENTRAL STATION ELECTRIC OUTPUT OFF 1ST QUARTER

Quebec Only Area to Show Increase Over Last Year's Returns

From Our Own Correspondent

MONTREAL. — Quebec was the only economic area in Canada to report an increase in power production during the first quarter of 1933 as compared with the first three months of 1932, according to figures compiled by the Dominion Bureau of Statistics on Central Electric Station output.

For the January-March period of 1933 central stations reported a production of 4,067,252,000 kw.h. This compares with 4,127,747,000 kw.h. for the initial quarter last year.

The decrease in output is accounted for by declines in the British Columbia, Prairie Provinces, Ontario and Maritime areas. Quebec with a production of 2,191,547,000 kw.h. this year shows an increase of roughly 78,000,000 kw.h. over the first three months of 1932.

British Columbia stations had an output in the first quarter of 1933 totalling 295,596,000 kw.h., or about 10,500,000 kw.h. less than a year ago. The Prairie Provinces did not do so well, production dropping from 356,292,000 kw.h. in 1932 to 328,199,000 kw.h. this year. The drop is partially accounted for by the unsatisfactory operation conditions of Winnipeg Electric and its subsidiaries, which have lost the Pine Falls paper mill business owing to the closing down of the plant.

Ontario Reports Decrease

Ontario's stations had an output in the first quarter this year of 992,814,000 kw.h. This was roughly 132,000,000 kw.h. less than for the same quarter last year.

The Maritimes also report a falling off in production, with an output of 118,142,000 kw.h., down from 139,894,000 kw.h. for the first quarter of 1932.

Export business does not show any improvement, deliveries for the first three months of 1933 totalling 139,802,000 kw.h. as against 169,603,000 kw.h. for the corresponding period a year ago.

WPG. ELECTRIC INCOME IN 1932 NEAR 1931 LEVEL

Plans Made With View to Readjusting Capital Structure

FORM COMMITTEES

Anderson Believes Earnings Sufficient to Warrant Carrying on Operations

From Our Own Correspondent

MONTREAL.—Revenues of Winnipeg Electric Co. for 1932 were on a slightly lower basis than in 1931, net profits being about one-half of the requirements for the preferred dividend, which has been deferred by the directors.

Considerable difficulties have been experienced by the company over the past twelve months, tramway operations being conducted at a loss while public relations have not been altogether satisfactory.

At the annual meeting it was stated that revenues were continuing to decline and some readjustment in the capital structure of the company and its subsidiaries was believed necessary. A committee of directors has been appointed to prepare a plan of readjustment and would collaborate with committees which, it was hoped, would be formed representing security holders of the company, its subsidiaries and associated companies. Once the plan had been agreed to by these committees, it would be submitted to security holders for their consideration.

Has Earning Capacity

Edward Anderson, president, stated that he believed the company's earning capacity, even under present abnormal conditions, was sufficient to warrant formation of a plan which would enable it to carry on. The directors felt it was of the utmost importance in the interests of all concerned to work out an equitable plan of keeping this system a going concern, rather than face receivership, though some sacrifice might have to be made.

Operations last year resulted in a gross income, after operating expenses, of $2,095,661. This compared with $2,145,550 in the previous year. Particulars of the income account for the last three years follow:

	1932 $	1931 $	1930 $
Oper. earn.	5,528,449	5,680,795	6,078,055
Oper. exp.	3,573,706	3,709,018	4,023,039
N. op. inc.	1,954,743	1,971,776	2,055,016
Misc. inc.	140,918	173,774	376,899
Gross inc.	2,095,661	2,145,550	2,431,915
Int., etc.	1,372,333	1,350,863	1,343,762
Net inc.	723,328	794,687	1,088,153
Deprec.	546,875	531,885	515,344
Net prof. ..	176,453	262,801	572,809
Pfd. div.	......	262,500	350,000
Balance	176,453	301	222,809
Common div.	......	......	239,889
Surplus	176,453	301	d17,080
*Prev. bal.	218,939	291,937	362,059
P. & L. bal.	395,392	292,238	344,978

d Deficit. * After adjustments.

Working Capital

	1932 $	1931 $	1930 $
Cur. assets	1,380,880	1,501,085	1,585,720
Cur. liabs.	2,546,572	2,738,920	2,361,854
*Work. cap.	1,165,692	1,231,835	776,134

* Excess of current liabilities over current assets.

Notes Payable Increase

Examination of Winnipeg Electric's balance sheet at the end of 1932 shows no change in the outstanding funded debt or capital stock. Notes payable, on the other hand, show an increase from $1,103,918 to $1,300,000.

Contingent liabilities in respect to principal and interest on bonds of, and other guarantees in connection with Winnipeg Electric's subsidiaries show an increase in the aggregate from $24,014,826 to $24,602,281. The only change here is an increase in respect to Northwestern Power Co. from $10,867,707 to $11,484,600.

Buy in Bonds

Among the assets of Winnipeg Electric, physical properties show a slight increase at $34,363,009. Purchase of first refunding mortgage bonds of Winnipeg Electric for sinking fund show an increase from $1,567,000 to $1,756,000. Advances to and stocks and bonds held in subsidiary and other companies at book value show an increase from $7,164,600 to $7,380,365. In signing the report, the auditors do so subject to the value of the investments in and advances to subsidiary and other companies, which they point out is further affected by interest on bonds and other obligations of Northwestern Power Co. not having been earned.

Comment on Position

In his report to the shareholders, Edward Anderson, K.C., president, had the following to say in part:

"Owing to lack of demand for power on account of prevailing business conditions, the plant of Northwestern Power Company Limited, at Seven Sisters Falls is not now in operation. A sufficient staff has been retained to keep the property in good order.

Northwestern Power Status

"The inability to derive revenue from this plant has created a difficult position for Winnipeg Electric Company, as the guarantor of the bonds of Northwestern Power Company Limited. Payment of interest due on the bonds of the latter company on January 2, 1932, which had been provided for in the proceeds of the bond issue, was made in Canadian funds only. The holders of these bonds, having exercised their right, in accordance with the terms of the trust deed, to demand payment in United States funds, which were not available, it was found necessary to issue scrip certificates of the power company, guaranteed by Winnipeg Electric Company, to the face value of approximately $50,000 to cover the discount on Canadian funds. This scrip was made payable January 2, 1935, and bears interest at the rate of six per cent per annum. When the next payments of interest on the bonds became due on July 2, 1932, and January 2, 1933, the power company was forced to default.

"At a meeting of the bondholders of Northwestern Power Company Limited, duly called, a bondholders' protective committee was formed and given power to waive the defaults and to extend the time for payment of bond interest. Extended negotiations between this committee, the power company and Winnipeg Electric Company have resulted in an extension of time being granted until May 1, 1933, in order that a plan for the protection of the interests of the bondholders might be formulated and agreed upon.

"During 1932, three hundred shares of Manitoba Power Company Limited were exchanged for a like number of Winnipeg Electric Company's common shares, and at December 31, Winnipeg Electric Company, held 135,762 shares of Manitoba Power Company Limited, being 90.5 per cent of the total issued capital stock of 150,000 shares.

Montreal Power's Plan Favored for Beauharnois

Majority Vote Cast in Favor of Plan Sponsored by Committee — Four Alternatives Are Voted Down at Special Meeting of Debenture Holders

From Our Own Correspondent

MONTREAL. — Belated opposition to the plan put forward by Montreal Light, Heat and Power Consold. and officially sponsored by the Bondholders' Protective Committee under the chairmanship of T. A. Russell, of Toronto, for the reorganization of Beauharnois Power Corp., did not prevent a majority vote in favor of the scheme.

With approval goes control of the Beauharnois enterprise to Montreal Power. It now remains for the Federal and Quebec governments, as well as the banks, to endorse the debenture holders' action before the reorganization plan can be put into full effect.

Vote on Five Proposals

Opposition to the Montreal Power plan develops in many quarters but voting was carried out only on five proposals.

R. O. Sweezey, original promoter of the Beauharnois project, put forward a plan which in certain essentials was not unlike that put forward by Montreal Power. It differed mainly in that the debenture holders secured a larger equity under the reorganization and interest payments commenced October 1, 1933, instead of 1938 as under the Montreal Power plan.

Sweezey asked for a short delay in order to enable him to get together a syndicate to underwrite the $13,500,000 of first mortgage bonds. He claimed that Harry Oakes, of Lake Shore Gold Mines, was one of his principal backers.

The Pepall plan was very similar to that proposed by Sweezey. The Toronto group proposed to give more liberal consideration to the debenture holders and start payment on the debentures as from October 1, 1935.

Wanted Debentures Redeemed

Dr. Gaudreau offered an amendment to the Montreal Power plan with its main provision to the effect that instead of $70,000,000 to be issued in new bonds, there be issued $100,000,000, of which $30,000,000 would be used to redeem the outstanding collateral trust bonds.

Both I. E. Weldon, K.C., and A. L. Caron, were in favor of the Dominion Government guaranteeing $40,000,000 of the first mortgage bonds and in return for this consideration receiving 4/7ths of the common stock.

Details of Voting

The votes on the various proposals before the bondholders were as follows:

Plan:	For $	Against $	Total $
Pepall	482,400	17,547,800	18,390,200
Caron	1,015,500	17,026,700	18,041,200
Sweezey ...	1,865,400	16,393,400	18,258,800
Gaudreau ..	292,600	17,060,300	17,352,900
Mont. P. ..	16,800,300	1,042,400	17,842,700

$18,450,000 of Bonds Present

Represented at the meeting was a total of $18,450,400 par value of the $30,000,000 debentures outstanding. Only $15,000,100 was needed to make a quorum and only a majority of 75 per cent of the bonds present need be voted to make any decision of the meeting legal and binding.

Shareholders Approve

At the common shareholders' special and annual general meeting 1,009,308 shares were voted in favor of the Montreal Power plan with 126 shares registered as voting against.

At the same time 80,000 shares of common stock were cancelled, bringing the number of shares down to 1,720,000, making it possible to carry out Montreal Power's proposal to reduce the common stock to 172,000 shares.

Income for 1932

The annual statement of Beauharnois Power Corp. covers the balance sheet as at December 31, 1932, and the income account covering the last six months of 1932. The latter shows that Beauharnois had a gross income from sale of power of $450,655. There was a net income of $290,743, which sum was appropriated on account of interest charges. Details of the income account follow:

Revenue	$450,655.24
Operating cost	159,911.67
Operating profit	290,743.57
Interest account	290,743.57

Operating statement of the Beauharnois Land Company for the six months ended March 31, 1933:

Rental revenue	$7,919.10
Operating expenses	9,762.42
Loss	$1,833.32

Bank Loans $22,033,500

The consolidated balance sheet shows 1,800,000 shares of issued stock. The collateral trust debentures outstanding total $30,000,000. The amount of first mortgage bonds of Beauharnois Light, Heat and Power Co. issued totalled $40,000,000, of which $39,750,000 had been put up as collateral with the banks against loans of $22,033,500, while the remaining $250,000 was deposited with the Quebec Government as guarantee under water leases.

Accounts payable total $1,511,898 and accrued interest on the debentures $2,700,000. There are also construction and contract commitments not yet due of $323,730.

Details of Assets

On the asset side of the balance sheet, properties are carried on the books at $57,577,199. This is subdivided as follows: construction work in progress, $40,228,307; real estate, $5,568,620; properties, rights, etc., $11,456,541.

Securities on deposit with the Quebec Government total $143,726. Various current assets aggregate $116,693, while cash on hand totals $118,130.

Among the deferred debit items is one of $250,000 representing stock in and an accommodation guarantee to the Brupbacher Silk Mills Ltd., which has gone into bankruptcy.

Amount due from the Marquette Investment Corp. stands at $150,000.

NEW LEGISLATION WORKS IN FAVOR CANADA SHIPPING

C. S. L. and Other British Shippers Will Benefit Under New Act

From Our Own Correspondent

MONTREAL. — Canada Steamship Lines and other Canadian operators stand to benefit if the abbreviated Shipping Act, replacing in this year's legislation the new Consolidated Canadian Shipping Act, is passed by the Senate and the House of Commons.

In years past Canadian shipping interests have protested the entry of American shipping into the Canadian coastal trade. Under the proposed legislation, broken voyages, such as grain shipped to Buffalo and then from Buffalo to Montreal in United States ships will no longer be permitted. No ships other than British ships will be permitted to engage in such traffic or in Canadian inland coasting trade generally.

Definition of Trade

The coasting trade in Canada includes the carriage by water of goods and passengers from one port or place in Canada to another port or place in Canada, while the inland coasting trade includes the carriage by water of goods and passengers from one port or place on the inland waters of Canada to another port or place in Canada on the same waters.

The new legislation, which only contains twelve sections, also provides that no ship other than a British ship shall either directly or by way of a foreign port transport passengers from any one place in Canada to any other place in Canada.

Penalties for Infraction

Every ship which engages in the coasting trade of Canada or the inland coasting trade contrary to the act, or transports passengers or goods contrary to the act "shall be liable to a penalty of 50 cents per ton of her registered tonnage, or $500, whichever is the greater, and $200 for each passenger, or $500, in respect to passengers. Any goods so transported shall be smuggled goods and any customs collector can detain a ship committing any such offense under the act."

The importance of this legislation to Canadian shipping is seen in the fact that whereas in former years American shipping carried a large volume of grain from the head of the lakes, this traffic will now be handled by Canadian or British bottoms, if the act is passed.

Maritime Telephone Traffic Decreases

From Our Own Correspondent

MONTREAL.—No improvement was recorded in the volume of toll traffic handled by Maritime Telegraph and Telephone Co. during March last. There were 72,455 completed and 3,681 uncompleted calls, for a percentage completion of 95.2. The showing was considered fairly satisfactory, however, in view of the storm damage to poles and wires in many parts of the territory.

The number of stations in service at the end of March registered a further decline, amounting to 38,387 compared with 38,584 at the close of February, a net loss of 197. The Island Telephone Co., a subsidiary, reported a decline in stations installed from 5,546 to 5,534 at the end of March. Connecting companies also had a loss, the number of stations at the end of March being 5,534 compared with 5,546 at the close of the previous month.

Nova Scotia Coal Finds Favor for Coke Making

From Our Own Correspondent

MONTREAL. — Nova Scotia coal from the Sydney area to the extent of more than 150,000 tons annually may be used by Montreal Coke and Manufacturing Co. to replace coal hitherto imported, according to a report issued by the Dominion Mines branch.

This potential consumption of Canadian coal has been demonstrated feasible by exhaustive coking and storage tests conducted jointly by the Montreal company and by the Fuel Testing Division of the Department of Mines. At present the Nova Scotia coal is being used as a blend with imported coal and does not in any way interfere with the particular quality —high fusible ash—of the coke placed on the market heretofore.

Quebec Has Most Shoe Plants

Of the 181 leather footwear factories operating in Canada, 103, or considerably more than half, are located in the Province of Quebec. Ontario has 62 and the other provinces, according to the February return of the Dominion Bureau of Statistics, have: British Columbia, 6; Manitoba, 4; New Brunswick, 4 and Nova Scotia, 2.

MANITOBA POWER GROSS REVENUES HIGHER LAST YEAR

Auditors Comment on Advance to Northwestern Power

From Our Own Correspondent

MONTREAL.—Manitoba Power Co., subsidiary of Winnipeg Electric Co., reports gross operating income on a slightly lower basis than in 1931, but with the inclusion of miscellaneous revenue, gross income applicable to fixed charges is greater than in the previous year.

It is not expected that income for 1933 will be as large owing to the closing down of the Pine Falls mill of the Abitibi Power and Paper Co., which under normal circumstances is a large purchaser of power.

Carry Forward Surplus

Gross income available for fixed charges in 1932 totalled $1,143,866. This compares with $1,041,664 in the previous year. After taking care of senior charges, including depreciation, taxes and other items, net income amounted to $178,506, or roughly $22,000 less than in 1931. Details of the profit and loss account for the past three years follow:

	1932 $	1931 $	1930 $
Gross earn. ..	1,257,850	1,277,772	1,291,582
Oper. exp. ...	253,065	277,258	238,988
Net earn. ..	1,004,785	1,000,514	1,052,593
Misc. inc.	*139,081	41,150	23,716
Gross inc. .	1,143,866	1,041,664	1,076,310
Int. charges ..	702,739	684,820	643,777
†For. exch. ..	104,219	......	......
Amortiz.	6,060	4,631	......
Taxes	59,730	49,055	53,035
Deprec.	92,610	88,200	84,000
Other ded. ..	......	14,690	2
Net inc. ...	178,506	200,267	295,495
Divids.	......	......	150,000
Surplus	178,506	200,267	145,495
‡Prev. surp. ..	353,543	158,188	16,498
P. and L. ..	532,049	358,455	161,993

* Including discount on bonds purchased for sinking fund.
† On bond interest.
‡ After adjustments.

Working capital position

	1932	1931	1930
Cur. assets	$767,781	$791,659	$561,668
Cur. liabs.	493,282	439,755	401,309
Work. cap. ..	$274,499	$351,904	$152,357

Storage Account Larger

Examination of the balance sheet of Manitoba Power Co. at the end of 1932 showed a few changes. There is no change in outstanding funded debt or capital stock. Property reserve has been written down by $166,951 and this sum added to the depreciation reserve which now totals $1,825,041. A deferred liability in connection with Lake of the Woods and Lac Seul storage, payable in installments, has increased from $141,948 to $226,459.

Among the assets there is an increase in property account of approximately $110,000 to $25,872,140.

Interest in the Winnipeg River Railway Co. shows a slight increase at $31,385. First mortgage bonds purchased in anticipation of sinking fund requirements show a substantial increase, rising from $226,712 to $379,139.

The principal change in current assets is a decline in cash on hand from $189,722 to $3,921.

Advance to Northwestern

One of the largest items among assets is bills receivable from Northwestern Power Co. at $834,600, up from $780,000 a year ago. This company has failed to pay its bond interest and steps are now being taken looking toward its reorganization. The value of this asset is commented upon by the auditors.

In his remarks to the shareholders, Edward Anderson, president, stated that in view of the continuing adverse business conditions and the shutdown of the Pine Falls paper mill, the directors have not declared any dividend on the company's common shares.

Canadian Railways Make Special Excursion Rate

From Our Own Correspondent

MONTREAL.—Over the next month Canadian railways will establish a rate of one cent a mile for coach travel between points in Eastern and Western Canada and return, according to an announcement made by C. P. Riddell, chairman of the Canadian Passenger Association, of which both the Canadian Pacific and Canadian National Railways are subscribing members.

These rates, which initiate an all-time low in Canadian passenger fares are in reality an extension of the coach excursion idea which has proved popular with the Canadian public during the past year.

Sale of tickets from Western Canada will commence on May 24 and will extend to and include June 8. Eastern tickets will be sold from May 15 to June 15. Tickets will be good to return thirty days from the date of sale.

Ontario Hydro Not Renewing Contract With Cedar Rapids

From Our Own Correspondent

MONTREAL.—Ontario Hydro Power Commission will not renew its contract for 7,500 h.p. of electrical energy with Cedars Rapids Manufacturing and Power Co., subsidiary of Montreal Light, Heat and Power Consold., when it expires this year. This agreement was entered into a number of years ago, the power being used to meet the needs for the Eastern Ontario lines of the Commission.

Since this contract was let the Commission has entered into contracts with Gatineau Power, Ottawa Valley Power Co., and MacLaren Quebec Power Co. The supply from these three sources, which has yet to reach its maximum, is sufficient to take care of the Commission's needs for many years to come.

PLANT CAPACITY VANCOUVER GAS WILL BE JUMPED

B. C. Power Giving Contracts for 12 New Units

From Our Own Correspondent

VANCOUVER. — B. C. Power Corporation has decided to increase the capacity of its Vancouver gas plant by 50 per cent, and contracts are now being awarded that will bring about expenditure of approximately $300,000 on the new installation.

The programme calls for increasing the present capacity of the plant from 3,000,000 cubic feet daily to 4,500,000 cubic feet.

The first contract is for foundations for the chamber ovens and this has been placed with Moncrieff & Vistuanet.

Work Will be Pushed

Other contracts in connection with the job will be let shortly and work will be pushed during the summer months so that the new facilities will be ready for use in October.

Present equipment of twenty-four intermittent vertical chamber ovens will be increased by twelve units. One extra producer and waste heat boiler will be installed to heat the ovens.

One rotary washer and scrubber has been ordered and two vertical cast iron condensers with a capacity of cooling 3,000,000 cubic feet of gas daily will be installed. One steam-driven exhauster with 3,000,000 cubic feet capacity and a tar extractor will also be added.

Extensions will also be made to the naphthalene washer.

Company Packs Gaspé Salmon

Gaspé salmon, long noted as a table delicacy in the fresh state, is now available canned. A plant was established during the fishing season last year in Quebec beside the St. Augustine River on the north coast of the Gulf of St. Lawrence and according to Walter Black, sales manager of the Labrador Fisheries, some 1,500 to 2,000 cases were packed. Next year, it is stated, the company expects to pack between 4,000 and 5,000 cases.

World Factors Influence the Canadian Bond Market

Recent improved sentiment in business and finance is largely attributed to the events of world importance of the past month. Some of these developments are outlined in our latest Review and Bond List.

Canadian government and municipal securities are offered in this List, including the new issues of City of Hamilton, City of Montreal and Province of Nova Scotia.

We shall be pleased to forward copy upon request.

Write for our latest Review and Bond List

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Two Unusual Stocks for Recovery

THE FINANCIAL WORLD has made a careful study of two companies which will be particularly benefited by stabilization of international currencies. These stocks are selling at a fraction of their 1929 highs. Recent world developments are highly favorable to them. Further expected progress makes these stocks attractive as long pull speculations with profit possibilities. Be sure to read our article "Dollars Down—Earnings Up."

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You will be in time for the above analysis, also for our survey pointing out the Beneficiaries of Inflation if you send $1 at once for our next 8 issues. You will also receive "An Outstanding Low Priced Stock" (selling at one tenth of 1929 price), "10 Stocks for Recovery," "Time to Buy a Fortune?" and "Sound Investment Rules." Simply return this "ad" and $1 with your address.

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News of Investment Markets

MORATORIUM GERMAN BONDS NOW FEARED

German 7's of 1949 and 5½'s 1965 Affected; Relief Needed

A possible moratorium on German external debt is feared by close observers to be the cause of recent weakness of the Dawes and Young plan bonds of that country. These bonds are the 7's, due 1949, and the 5½'s, due 1965, of which a considerable number are held by Canadian investors.

Some relief from the burden of Germany's indebtedness is considered essential, if a moratorium is to be avoided. Relief could come by (1) international agreements which would allow Germany to increase her export trade balance; (2) devaluing currencies, other than the reischmark, by about one third, thus reducing the debt that much; (3) by raising an international loan to Germany immediately.

In any event, it is thought that Germany will seek lower interest rates on her debt to governments and individuals abroad. The Schacht mission to the United States has this in mind. The Hitler government has recently signified its intention of lowering internal interest rates, including rates on bank deposits. This is thought to be part of a general programme to relieve the German debt burden.

Prices Tell Story

Quotations speak better than words of the investor's fear of the German situation. The German 7's of 1949, which sold as high as 86¾ this year, are now quoted below 60 in New York. The low for 1933 to May 8 was 57. And this happened in the face of the strongest bond market for months. The 5½'s of 1965 are in the same boat. They have dropped from 64¼ to about 40. The low to May 8 was 37½. These are almost panic prices. The next interest payment on the 5½'s is due in June. Interest on the 7's is due in October.

Clearly investors fear the ability and willingness of Germany to pay. The recent political unrest has served to increase their fears. Some foreign diplomats and financiers say that Germany is planning deliberate bankruptcy in an effort to get her debt burden reduced. Certainly the Fatherland is serious about reducing the burden, at least as far as interest is concerned. It is said that reduction of interest rates is one of the first things the Schacht mission will try to accomplish during its present visit to the United States.

Linked to World Problem

The question of payment by Germany on these bonds is inextricably linked to the world economic conference and international economic policies. It is only by agreement at the world conference that the first two measures of relief suggested above can be arranged. An international loan can be attempted at any time. But the circumstances are not good. The investing public fears to take up German bonds at present. The Germans do not want to pay high interest rates, which would almost certainly be necessary. Assistance from foreign governments, in the form of a loan, appears to be the only way out at present. At best this would probably be a temporary expedient.

It is thought that Germany will not be able to enter into any currency stabilization programme until her burden of foreign debts and interest is relieved. In this lies the chief hope for investors. The world conference may agree to improve Germany's export balance to further its currency stabilization programme. Other currencies than the reischmark may be revalued with the same effect. And rather than allow another monkey wrench to be thrown into the international works before the world conference opens, an international loan to tide over the situation may be forthcoming.

Roosevelt's Position

It should be noted that the president of the United States cannot negotiate with the Schacht party on Germany's indebtedness to private parties abroad. This means the holders of the 7's of 1949 and 5½'s of 1965, and of other similar German bonded debt. Mr. Roosevelt can only bargain on governmental obligations and agreements. Only the world conference can do things to make Germany's whole burden lighter.

Germany has successfully had her war debt reduced twice. She has been able to carry on so far under the standstill agreements. She rid herself of a good portion of internal debt by the mark inflation of 1923. Now Germany hopes to get her internal and external interest rates down as low as those of any other financial centre.

Slash in Finance Act Rate Part of Cheap Money Plan

First Time It Has Been Attempted in Canada — Government Hopes to Reduce Bond Yields—Finance Act's Effects on Bond Market May be Small

Lowering the rate of general advances to banks under the Finance Act from 3½ to 2½ per cent on May 1 is apparently part of a Government programme for cheapening money in Canada. This is the lowest rate on record. The effects on bond prices of this reduction, and the simultaneous cut in the interest rate on savings deposits from three to 2½ per cent, are not completely clear. The Government hopes that this lowering of the foundation rates for short term credit in Canada will also lower bond yields.

The Finance Act rate in Canada has heretofore been operated with little regard to money market and discount rates in leading financial centres like London and New York. Both these markets have been attempting to revive the body economic with easy money for some time. Economists favor low short and long term rates. The cut in the Canadian Finance Act rate is part of a programme toward cheapening money in Canada, the first time such a scheme has ever been attempted in this country.

The change in the Finance Act rate itself appears relatively unimportant. Banks' borrowings under the act would be negligible at present were it not for the famous $35,000,000 of special advances. Since there is no change in the three per cent rate on these loans, the cut may not mean much at present. But it may be important when banks are ready to start using the Finance Act to a larger extent. At least it places a low rate at the banks' disposal.

Banks Influence Bonds

Perhaps it is not generally realized that the banks themselves are probably the strongest single force in the Canadian bond market at present. Since these cuts in the savings and Finance Act rates first benefit the banks, the reductions start at the heart of the bond market. Dealers already have had some benefit through reductions of the interest on call loans against prime collateral.

Many shrewd observers think that the frequently expressed opinion that the public will be led into buying bonds by the low bank deposit rate is exaggerated. But in any event the effect of lowering basic rates, such as those on deposits and for the Finance Act cannot but tend to lower other rates. The theory is that the lower cost of deposits to the banks will allow them more leeway in adding to their already distended government bond portfolios. This would perhaps start a process of market evolution toward lower rates for other types of funded debt.

The psychology of the bond market, whether optimistic or pessimistic, is considered by dealers to be at least as important as these changes in interest rates in effect on the market. In this connection, the unbalanced position of Government budgets in Canada is considered a deterrent to better prices for gilt-edged securities.

Our Market Follows Others

The course of the Canadian high-grade bond market may be more inclined to follow money rates in New York and in London than in Canada. Arbitrage operations between the three markets would probably account for part of this tendency.

The Finance Act rate is not like the central bank rates in London and New York. It does not alter the structure of a whole money market, there being none in Canada. Thus its effects may be negligible.

That this programme is no chimera, is seen from enumeration of some of the changes in rates which have been made in Canada in the last two weeks. Interest rate on savings deposits has been cut from three to 2½ per cent. Finance Act rate cut from 3½ to 2½ per cent. Interest on many bank loans to municipalities cut one-half per cent.

Bank interest on prime security loans of dealers cut one-half per cent. Bank interest on some good farm loans cut one-half, or one per cent.

Economists For Low Rates

Economic historians place considerable faith in lowering interest rates. Sir Arthur Slater, for instance, feels that they are a prime requisite for recovery. It is believed that lower short term rates will lead to reduced long term rates, in the form of bond yields. This is the process by which the Government hopes to be able to refund some 400 million dollars of maturing 1933 and 1934 bonds at lower rates. It is devoutly wished by Ottawa that the maturing bonds bearing 5½ per cent coupons be replaced with bonds bearing 4½ per cent coupon. But the Government would much prefer a four per cent coupon rate.

If the Government's hopes for lower yields are realized, all classes of provincial and municipal securities would probably be favorably affected.

Can. Public Service Revenue Increased

Gross revenue of Canadian Public Service Corp. and subsidiaries in the nine months ended March 31, 1933, is reported at $298,292 as compared with $279,898 in the corresponding period of the previous fiscal year. Operating expenses, maintenance and taxes have been reduced to $114,552 from $115,314 and non-operating income is up to $6,082 from $246. Non-operating expenses have been reduced to $1,512 from $1,654. Net earnings available for interest have thereby been increased to $188,310 from $163,176. Interest deductions, including debt expense amortized is shown at $99,760.

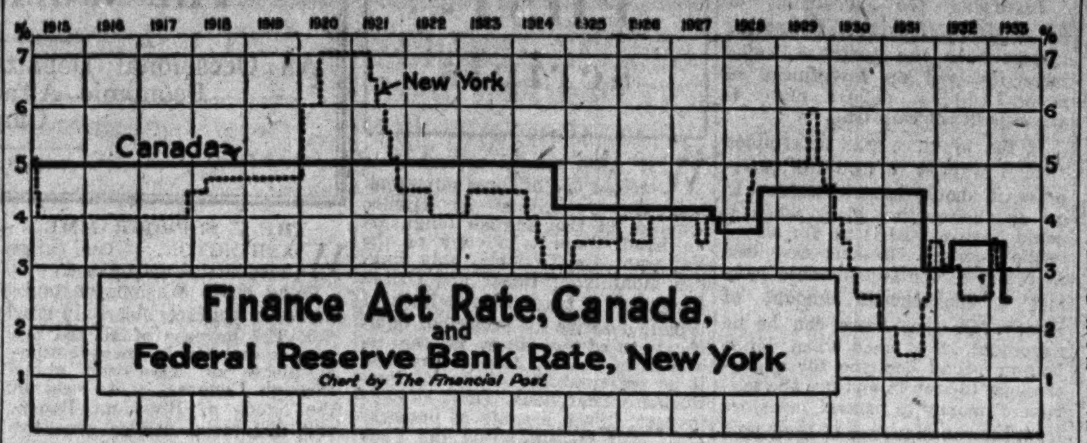
Dominion Square Corp. Bondholders Will Act

From Our Own Correspondent

MONTREAL.—Bondholders of Dominion Square Corp. will be circularized this week asking their support for a Bondholders' Protective Committee which is being formed to investigate the affairs of the company with a view to determining what future action should be taken.

This company originally sold $5,000,000 of first mortgage bonds to the public. Interest on these bonds was defaulted last month upon the expiration of the usual period of grace.

Finance Act Rate Cut to Record Low Point



◇On April 28 the Treasury Board at Ottawa decided to cut the rate for general advances to banks under the Finance Act from 3½ to 2½ per cent, as from May 1. This change conforms with easy money policies of London and New York, and brings the Finance Act rate down with the savings deposit rate. The chart shows that the Finance Act rate in Canada has heretofore borne little relationship to central bank discount rates. The discount rate of the Federal Reserve Bank of New York bears a close relationship to the Bank of England rate. The implications of the cut in the Finance Act rate are discussed on this page.

DOMINION MOTORS NET LOSS $691,741, WORK CAP. LOWER

Company Suffers from Lack of American Connection

Net loss of Dominion Motors in 1932 was $691,741, included $22,780 transferred to its subsidiary, York Acceptance, as compared with $242,752 in 1931. This reflects the increasing strain felt in the automotive industry the world over in these two years as does the decrease in liquid assets and increase in bank loans. The company still has working capital of $225,553, and current assets are 1.21 times current liabilities whereas a year ago they were 4.43 times current liabilities.

Dominion Motors has put up a hard fight to produce at a profit a strictly Canadian car. Alone among Canadian motor car companies it has no American or British link other than manufacturing contracts.

While 1932 was a difficult year, there is some promise in negotiations that may lead to a new "parent" tie-up for the company.

CONS. INCOME & SURPLUS ACCOUNT
Years Ended December 31

	1932 $	*1931 $
Net loss	668,961	242,752
Trans. to York Accept.	22,780	......
	691,741	242,752
Add: Dividends paid..	28,498	113,978
Deficit for year	720,239	356,730
Less: Prev. surplus..	406,954	891,110
	†313,285	534,380
Add: Adj. re appraisal of fixed assets	......	100,540
Less: Res. for divds.	227,966	227,966
Adj. re old company	3,887	......
Surplus carr. forward	†81,432	406,954

*Includes operations of predecessor company for five months ended May 31, 1931.
†Deficit.

WORKING CAPITAL

	1932 $	1931 $
Current assets	1,295,231	*2,651,050
Current liabilities	1,069,698	598,184
Working capital	225,533	2,052,866
Ratio	1.21—1	4.43—1

*Includes savings account of $819,634 which cannot be withdrawn except with the permission of the head office of bank.

The working capital position as above shown is the result in great part of changes in current assets as follows: cash is down from $1,004,280 to $111,253, accounts and notes receivable from $768,416 to $741,304, sundry debtors from $64,763 to $28,317, marketable securities from $90,425 to $4,550, inventories from $709,073 to $398,074 and debit balances of accounts payable of $10,903 to $5,514.

In current liabilities bank advances went up from $492,700 to $972,100, accounts payable dropped from $48,519 to $42,872, credit balance accounts receivable fell from $25,561 to $18,923, and dealers deposits went up from $14,275 to $15,275.

Of bank loans $571,000 are secured under Section 88 of the Bank Act and by debenture of Leaside Investments, which covers all the assets of that company, and $401,100 to York Acceptance Corp., secured by notes receivable. There is also an item of $54,524 for accrued liabilities not due, covering $25,865 of "unearned revenue, service charges," and sundries of $28,659.

Two years ago the assets included an item of $1,263,760 covering advances to Durant Motors, Inc., plus accrued interest made through York Acceptance Corp. In the current balance sheet there is an item, reflecting the change of control which has taken place in the meantime, of $1,250,000 as advances to Leaside Investments, secured by 5½ per cent first mortgage debentures of the same amount. Reserves for contingencies, bad debts and income taxes amount to $190,758. There is no change in fixed assets.

Auditors, Thorne, Mulholland, Howson, McPherson, certify correctness of consolidated balance sheet, "subject to our detailed reports on the various companies particularly in respect to the security held by the company for advances to Leaside Investments and the adequacy of the reserve for bad debts."

Simcoe Sells 5% Bonds On 5.2 p.c. Cost Basis

The town of Simcoe, Ont., has sold $50,000 five per cent debentures to McLeod, Young, Weir & Co. at 97.16, a cost basis of approximately 5.20 per cent. The issue consists of $16,000 of 20-year debentures and $34,000 of 30-year debentures.

The bids were as follows:

Syndicate:	Bid
McLeod, Young, Weir & Co.	97.16
Dominion Securities Corp.	95.179
A. E. Ames & Co.	96.00*
Wood, Gundy & Co.	93.75*

*Option basis.

New Chairman

ISAAC PITBLADO, K.C.

Who succeeds the late Sir Daniel H. MacMillan as chairman of the Winnipeg Advisory Board of Toronto General Trusts Corp. Mr. Pitblado is also a director of the Canadian Bank of Commerce, the Mutual Life Assurance Co. and Lake of the Woods Milling Co.

GURNEY FOUNDRY BOND INTEREST WILL NOT BE PAID

Will Go in Default on Serial Maturity Due May 15

Holders of the 6½ per cent first mortgage serial bonds of Gurney Foundry Co., will receive no interest on May 15 nor will the serial maturity falling due on that date be paid. With $780,000 of bonds outstanding, of an original issue of $1,200,000 sold by S. W. Straus & Co. in 1923, the Gurney Foundry Co. has been adversely affected by depression in the building trade in Canada and the National Trust Co. regards re-organization of the company as useless at this time and deems it inadvisable for the bondholders to take any proceeding for the enforcement of their security.

The primary objective for the time being, it is stated, must be to keep the company in operation as a going concern until some improvement in business develops and preserve the value of the goodwill which is covered by the bond mortgage. The National Trust Co. has been closely in touch with affairs of Gurney Foundry for the past six or eight months, and in October, 1932, R. J. Magor, president of National Steel Car Co., was retained to make a full examination of the position of the company. Mr. Magor has been working in close co-operation with Holt Gurney, president of Gurney Foundry, with a view to bringing about all possible economies in operation.

Bond Tenders

12 noon, May 10, Prince Edward Island—$250,000, 4½ per cent 10, 15 or 20-years for rebuilding public structures. H. R. Stewart, deputy provincial treas., Charlottetown.

Noon, May 15, Palmerston, Wellington County—$12,670, 5½ per cent 15-year serial, $7,407 5½ per cent 20-year serial. Seth Mathers, clerk.

City of Toronto, Western Prov's. To Offer Bonds

The city of Toronto will be in the market for seven or eight million dollars shortly, The Financial Post is informed. Even ten millions may be sought, it is understood.

By-laws authorizing the city to seek the money have been passed, and bonds are believed to have been printed. The city may be awaiting a better market before calling for tenders.

If the market for their securities continues to improve, it is expected that Western provinces may have bond issues for sale shortly. The Western provinces owe about $46,000,000 to the Dominion Government at present. Saskatchewan is the heaviest debtor, and may be the first in the market for funds.

Sherbrooke Sells Bonds On 5.38% Cost Basis

Bell, Gouinlock & Co. and the Canadian Bank of Commerce have been awarded $435,000 five per cent serial bonds of the City of Sherbrooke, Que., at a price of 97.221, a cost basis to the city of 5.38 per cent. The bonds are to be issued as five and 30-year serial obligations. The issue is made up of $235,000 of five year bonds and $200,000 of 30-year bonds.

The successful price was composed of bids of 98.62 and 96.03 for the five and 30-year bonds respectively:

The bids were as follows:

Syndicate:	5-Year Bonds	30-Year Bonds
Bell, Gouinlock & Co. & Can. Bk. of Com.	98.62	96.03
W. C. Pitfield & Co.	96.68	94.17
Imperial Bank	98.67	....
The following bids were on an option basis:		
Fry, Mills, Spence & Co.	98.00	92.35
Bank of Mtl., A. E. Ames & Co., Dom. Securities, etc.	97.41	91.94

Ames Syndicate Awarded Quebec R.C. School Bonds

A syndicate comprising A. E. Ames & Co., Dominion Securities Corp., Wood Gundy & Co., Nesbitt Thomson & Co. and Banque Canadienne Nationale has been awarded $500,000 10-year, five per cent debentures of the Roman Catholic School Commission of Quebec, guaranteed by the City of Quebec, at 97.72.

The yield basis at the purchase price is approximately 5.29 per cent. The price is based on a 5.10 yield less 1½ points.

Four syndicates tendered for 10-year five per cent debentures, including the Ames group. The bids of all four were as follows:

Syndicate headed by:	Bid
A. E. Ames & Co.	97.72
Royal Securities Corp.	97.378
L. G. Beaubien & Co.	97.27
McLeod, Young, Weir & Co.	95.58
A. E. Ames & Co.	97.72

WESTERN PROV'S. BONDS ADVANCED AS WHEAT ROSE

Canadian Industrials Also Sharply Higher; High Grades Steady

Pronounced strength of bonds of the four Western provinces has been a feature of the Canadian bond market in the last few days. Canadian industrial securities have also advanced sharply. Dominion of Canada issues and high-grade provincials have not changed much.

The advance in Westerns has been spread over the issues of all four provinces west of the Great Lakes — Manitoba, Saskatchewan, Alberta and British Columbia. The sharp rise in the price of wheat has undoubtedly caused this reversal of the market's former attitude on these securities.

Only a month ago Western provincial bonds were a drug on the market. Bids were scarce and offerings plentiful. The present position is that bids are strong and offerings scarce. Prices have advanced from two to five points on relatively small turnover.

High-Grades Steady

The advances in the Canadian bond market have been confined chiefly to industrial bonds and the more speculative provincials.

The improvement in prices of some representative, Canadian-payment bonds of the four Western provinces are shown below:

Approximate Bid Prices of Representative Bond Issues of Four Western Provinces

Issue:	Bid Price April 4 $	Bid Price May 6 $	Change $
Manitoba 6% 1947	93	95	+2
Sask. 5½% 1952..	85	88	+3
Alberta 6% 1947..	93½	96½	+3
B. C. 6% 1947 ...	95	97	+2

Rise in Industrials

A representative list of 22 industrial bonds, compiled by The Financial Post, shows 19 gains and only three losses between April 4 and May 6. The advances range from one to 22 points, the largest gain being recorded by Simpson's Ltd. 6's of 1949.

Approximate Bid Prices of Representative Canadian Industrial Bonds

Security:	Bid Price Apr. 4	Bid Price May 6	Change
Abitibi 5% 1953	13¼	16	+2¾
Alta. Pac. Gr. 6% 1946	78	80	+2
Beauharnois 6% 1959	36½	48	+11½
Bell Tele. 5% 1955..	106½	101½	—5
B. A. Oil 5% 1945 ..	88	91	+3
B. C. Power 5% 1960	80	77	—3
B. C. Tele. 5% 1960 ..	82	86	+4
Calgary Pwr. 5% 1960	76	77	+1
Can. Cement 5½% '47	52	66	+14
Canada S.S. L. 6% '41	15	25	+10
Can. Cop. Ref. 6% '45	102	103	+1
C. P. R. 4½% 1944 ..	63	70	+7
Davies, Wm. 6% 1942	86	89	+3
D.-Price Pwr. 6% '66	56	66	+10
Gatineau Pwr. 5% '56	73	77	+4
Harris Ab'toir 6% '47	87	88	+1
McColl-Front. 6% '49	80	88	+8
Massey-Harris 5% '47	46½	59	+12½
Montreal Tr. 5% '55	60	69	+9
Shawinigan 5% 1970	70	75	+5
Simpsons Ltd. 6% '49	39	61	+22
Winnipeg Elec. 5% '35	75	65	—10

Mr. Picobac Stops Off at Hamilton

Having in his pardonable enthusiasm forgotten the peroration of his carefully prepared speech as delivered before Hamilton's Chamber of Commerce, Mr. Picobac addressed the burden of his concluding remarks to the station agent.

"I want you to convey to the people of Hamilton," said he, "my vision of Hamilton's future . . . A city of teeming millions . . . a city of MEN . . . WOMEN . . . and *CHILDREN!* . . . Its industrial life made manifest by the smoke of a thousand chimneys . . ."

"Boa-a-a-rd!" interrupted the conductor; "Toronto . . . Ottawa . . . and Montre-*all!*"

A grip in each hand, his Hamilton peroration still unfinished, the philosopher of sunny southern Ontario made for his train.

"What about Picobac?" cried the Station Master.

"It's a mild . . . cool . . . sweet smoke," called back Mr. Picobac from the steps of the parlor car.

• • •

Picobac tobacco is the pick of Canada's Burley crop, grown in sunny southern Ontario. It DOES taste good in a pipe.

—and don't forget you get more tobacco for your money.

Good for making cigarettes, too.

Handy pocket tin, 15¢
—also in ½ lb. Humidor Tins

"IT *DOES* TASTE GOOD IN A PIPE!"

Picobac

IMPERIAL TOBACCO COMPANY OF CANADA, LTD

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Can. West. Nat. Gas	5%	1936	June 15	105
Wabasso Cot.	*6%	1947	June 1	105
Mont Louis Seigniory	†6%	1944	June 1	...

*$10,000 for sinking fund purposes.
†In part.

THRIFT STORES LIMITED

CONSOLIDATED BALANCE SHEET

as at March 31st, 1933

ASSETS

CURRENT ASSETS:—		
Cash on Hand and in Banks	$190,366.80	
Accounts Receivable, less Reserve for Doubtful Accounts	53,129.67	
Inventory of Merchandise on Hand	275,401.60	
Securities at Market Values	1,722.00	
Cash Surrender Value of Life Insurance Policies	3,140.00	
		$523,760.07
DEFERRED CHARGES TO OPERATIONS:—		
Unexpired Insurance and Prepaid Rent and Taxes		17,576.33
FIXED ASSETS:—		
Warehouse and Store Fixtures and Furnishings, including Tenants' Improvements, Office Furniture and Fixtures	$232,902.38	
Less:—Reserve for Depreciation	70,844.44	
	$162,057.94	
Goodwill and Leases	39,000.00	
		201,057.94
		$742,394.34

LIABILITIES

CURRENT LIABILITIES:—		
Trade Accounts and Bills Payable	$149,276.32	
Reserve for Income Taxes for year ending March 31st, 1933	10,656.06	
		$159,932.38
CAPITAL STOCK:—		
6½% First Cumulative Redeemable Convertible Preference Shares:		
Authorized and Issued:— 14,000 shares of $25.00 par value $350,000.00		
Less:—290 Shares Redeemed and Cancelled 7,250.00	342,750.00	
7% Second Cumulative Redeemable Convertible Preference Shares:		
Authorized and Issued:— 12,000 shares of $10.00 par value	120,000.00	
Ordinary Shares of No Par Value: Authorized: 57,000 Shares Issued: 20,000 Shares		
		462,750.00
Surplus—As per Statement attached		119,711.96
		$742,394.34

Approved on Behalf of the Board:—

M. RUDOLPH, Director.
A. M. MITCHELL, Director.

AUDITORS' CERTIFICATE

We have audited the books and accounts of Thrift Stores Limited and Subsidiary Company for the year ending March 31st, 1933.

We have received all the information and explanations we have required, and we certify that in our opinion, the attached Consolidated Balance Sheet and relative Operating Statement reflect the true position of the affairs of the Company at March 31st, 1933, according to the information and explanations given to us, and as shown by the books of the Company.

ROBSON, CAMPBELL & COMPANY,
Chartered Accountants, Auditors.

Montreal, May 4th, 1933.

Consolidated Statement of Surplus Account March 31st, 1933

Profit from Operations for year ending March 31st, 1933		$111,837.48
Deduct:— Depreciation on Warehouse and Store Furniture and Fixtures and Improvements		36,793.34
Net Profit for year before Provision for Income Tax		75,044.14
Deduct:— Dividends paid to March 31st, 1933.		
First Cumulative Preferred Stock	$ 22,396.56	
Second Cumulative Preferred Stock	8,400.00	
		30,796.56
		$ 44,247.58
Add:— Surplus Balance at March 31st, 1932	$ 93,295.86	
Profit on Redemption of 290 Shares First Cumulative Preferred Stock	2,320.00	
		95,615.86
		$139,863.44
Deduct:— Income Taxes paid for year ending March 31st, 1932	$ 9,495.42	
Provision for Income Taxes for year ending March 31st, 1933	10,656.06	
		20,151.48
Surplus—Balance at March 31st, 1933		$119,711.96

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year End	Net Income 1932 $	Net Income 1931 $	Common earnings 1932 $	Common earnings 1931 $	Curr. divid. $	Balance car. fwd. 1932 $	Balance car. fwd. 1931 $	Mkt.	Mkt. times earn.	Yield %
Loew's London	Jan. 5, '33	19,594	27,293	...	...	...	11,913	10,033	...	...	...
Famous Players	Dec. 31	21,985	823,106	...	2.17	...	3,354,526	3,613,535	4	...	...
Spillers	Jan. 31, '33	£323,302	£352,077	...	...	...	£400,318	£396,233	...	...	...
Dominion Motors	Dec. 31	*668,961	242,752	...	...	...	†81,432	406,954	2	...	...
Goderich Elevators	Mar. 31, '33	24,692	87,440	...	...	0.50	104,977	119,136	...	...	...
Marcus Loew's	Jan. 5, '33	88,107	112,831	...	...	...	571,115	483,008	6	...	...
Can. Canners	Feb. 28, '33	303,785	*103,136	...	...	...	393,531	541,018	5⅛	...	...
United Securities	Mar. 31, '33	162,152	192,888	3.16	3.76	2	265,043	206,968	20	6.3	10
Can. Light & Power	Dec. 31	33,542	44,008	1.009	1.32	1	16,423	16,129	...	...	...
B.C. Packers	Feb. 28, '33	*287,219	*477,292	...	...	...	†1,946,979	†1,659,760	2½	...	...
Can. Foreign Invest.	Dec. 31	247,211	262,986	...	...	...	639,391	393,670	2½	...	...
Montreal Exhibition	Oct. 31	*38,835	......	...	...	...	......	......	.25	...	...
Manitoba Power	Dec. 31	178,506	200,267	1.19	1.33	...	532,049	358,455	3½	...	...
Winnipeg Electric	Dec. 31	176,458	262,801	...	...	...	395,392	292,238	3¼	...	...

*Loss. †Deficit.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Sherbrooke	May 8	Can. Bank of Commerce and Bell, Gouinlock	5%	30-ser.	$235,000	97.221	5.38%
			5%	5-ser.	200,000		
Simcoe	May	McLeod, Young, Weir & Co.	5%	20-ser.	16,000	97.16	.....
			5%	30-ser.	34,000		
Quebec R. C. Schools	May	A. E. Ames & Co. and Syndicate	5%	10-yr.	500,000	97.72	5.29%

Announcing

NATIONAL SURETY CORPORATION

ASSETS	
Stocks and bonds at market	$5,935,971.78
Cash	654,004.14
Unpaid premiums due and receivable	4,035,059.20
Accounts receivable	379,579.88
First mortgages and real estate	831,323.28
	$11,835,938.28

LIABILITIES	
Reserve for losses reported	$ 71,797.00
Reserve for premiums (over 90 days old)	727,633.62
Reserve for commissions on unpaid premiums	730,813.00
Paid in reserve to cover possible future claims and not yet known, but which may occur on unexpired risks	6,305,694.66
Capital	1,000,000.00
SURPLUS	3,000,000.00
	$11,835,938.28

National Surety Corporation, now licensed to transact Fidelity, Surety, Burglary and Forgery business in Canada, desires to announce that it has taken over all liabilities in Canada of the National Surety Company including pending claims and the unexpired liability on all existing bonds and policies. Certificates transferring the liability will be issued as soon as possible.

HEAD OFFICE FOR CANADA: 360 Saint-James Street, Montreal
REED, SHAW and McNAUGHT, Ontario General Agents, 64 Wellington St. W., Toronto

What Effect will the U.S. Inflation Programme have on Commodity and Stock Prices?

We have prepared a careful analysis of the possible consequences from the enactment of this programme, and a copy will be sent on request.

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Montreal Stock Exchange
Montreal Curb Market
Chicago Board of Trade
Commodity Exchange Incorporated

Hindsight Begets Foresight

There are two schools amongst investment bankers today. The one has learned the lessons of experience and is determined to apply them for its clients' benefit and as a matter of self-preservation . . . the other still clings to the hope that good times will return and that the investors' memory is short.

Perhaps it is. Nevertheless we are adhering to the first school and endeavouring to assist old clients and prospective new clients to recover their financial positions so far as the course of events may permit. Only fools prophesy in the face of current conditions. We are not prophets but we are delvers for facts. As a preliminary, for instance, we have spent considerable time and money making a careful analysis of the majority of Canadian Corporation Bonds and Stocks. . . . Consequently if you send us a list of your holdings, we can tell you which of them have, in our opinion, a fair chance of recovering and which you should switch or get rid of at any price.

We are doing this gratis as a matter of goodwill building. Subsequently, we hope to benefit by your recognition of the soundness of our advice. May we help you?

MILNER, ROSS & CO.
350 Bay Street, Toronto

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Member Audit Bureau of Circulations
President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER
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TORONTO, MAY 13, 1933

BEAUHARNOIS FINDS A RESTING PLACE

THE Beauharnois Power enterprise has finally roosted where The Financial Post has always forecast it would find its ultimate resting place; namely, as one of the Holt group of power enterprises in Quebec. Thus, it becomes in effect a part of the Montreal Light, Heat & Power Consolidated organization that Ottawa politicians hate with such a keen hate. It has ended up where the present government once considered it very undesirable for it to be. The net result of the government's original opposition to the sale of the enterprise to Montreal Light, Heat & Power is that the debenture holders, whom the government set out to protect, have probably gotten less favorable terms in the sale than they would have had if the Holt group had been allowed to take it over when they were originally willing to do so.

This great power enterprise has been bedevilled by politics from the first and there is apparently in the House of Commons a group who are unwilling to lose such a choice political issue. Hence, they are carrying on a concentrated campaign to have the enterprise purchased outright by the Dominion government and operated as a national enterprise. All the talk about Beauharnois being a great national heritage, about the water rights belonging to the people and so on, is designed to arouse jealousies and passions. There is no more reason for Beauharnois to become a public enterprise than for every other power development in the country, every mine, every saw mill, every farm to be purchased outright and operated by the government.

The campaign for public ownership of Beauharnois is the last stand of the State Socialists who have piled upon this country a colossal tax burden and a debt almost beyond the capabilities of the people to bear. There has been a strong revulsion of feeling against excessive nationalization and public ownership of business developments in this country. People have seen the waste, the inefficiency, the extravagance and the high cost of or excessive reliance upon bureaucracy in enterprise. It is necessary then for the Socialists to divert attention from past mistakes and they are attempting to do it by arousing prejudices against private investors and operators in the case of Beauharnois and by conjuring up a rosy and fictitious vision of the glorious development that would come from the confiscation of the Beauharnois enterprise. This is always the way of politicians; when people begin to ponder upon the mistakes of the past they try to divert their attention to the more indefinite future which can be painted in brighter colors.

Mr. Bennett has committed himself against public ownership of Beauharnois. He realizes also the fact that such public ownership would have to be either under provincial control or federal control and that Quebec does not want it and would also object to federal ownership. Mr. Bennett should stick by his decision to prevent this raid on the national treasury.

PROPAGANDA MILLS BUSY IN LONDON

THERE is a certain type of British financial propaganda which is most offensive. That it is carefully directed by certain influences is beyond doubt. It is not by mere coincidence that economists, political spokesmen, financial editors of the London dailies, and the London financial papers all set forth arguments of exactly the same character at exactly the same moment. Yet this often happens, although not as frequently as in France, where a subsidized press plays the political game of the government as its primary purpose, giving attention to the news of the day as its secondary purpose.

For years, this British propaganda bloc carried on a malicious campaign against Canada because of the Grand Trunk arbitration awards, making the most ridiculous and inaccurate statements to support their claims, which might have deserved some recognition had they been fairly and adequately presented.

When Canada recently imposed a tax of five per cent on non-resident bondholders—a tax which The Financial Post believed at the time to be inexpedient for a debtor country—the British financial press pictured it as a complete breach of confidence and a partial default. The London Stock Exchange immediately delisted Canadian bonds.

When the United States went off the gold standard, the financial propagandists spoke menacingly of default and of the injustice of the American action. They portrayed the event as one of the greatest financial crimes in history. A few days later, when they had had an opportunity to study the situation and to get some information from Washington as to the reasons which had prompted the move of the president, they modified their criticism very considerably.

It was very refreshing the other day to witness the scene in the House of Commons when the Minister of Finance, the Hon. E. N. Rhodes, protested against the financial propaganda that had been directed toward Canada. Let us hope that his views—even though they did display a bit of bad temper, which can be forgiven—receive considerable publicity in the British press. A great deal of harm is done for England by a small group of trouble-making financial writers in London and it is time that the saner men in the Old Country made it clear that the British investor, touchy as he is, is not the financial bully that Fleet Street indicates him to be.

TOO MANY BLUNDERS TO BE CORRECTED

FAR too many changes in excise taxes, levied on numerous items in the March budget, have been necessary since the budget was first announced. Industry is having a hard enough time endeavoring to get through the present critical years without being disturbed by uncertainty as to whether even the Minister of Finance means what he says.

Persuasiveness on the part of deputations from industrial groups affected by increased taxation is responsible for the majority of the numerous changes but it would appear that in many cases original taxation was so out of line as to be ridiculous and would never have appeared had ordinary investigation been conducted beforehand.

Two specific instances in which some slight investigation would have avoided any change are brought out in an editorial in Hardware and Metal, Toronto. This publication states:

"An excise tax of 5 per cent was applied to automobile tires and tubes in the budget brought down in March by the Minister of Finance. This tax has now been changed to 2 cents a pound on tires and 3 cents a pound on tubes. The change will not likely result in very much difference from a revenue producing standpoint but the Minister of Finance has pointed out that the altered basis for this taxation will eliminate some of the juggling that may have taken place on invoicing the excise tax of 5 per cent. He stated that the poundage tax had been found very much preferable to the percentage tax in the United States. With the experience of the United States to go on in this matter why was it necessary to disturb Canadian business by trying out a percentage tax and then changing to a poundage tax?

"The excise tax on alcohol for perfume manufacturers was 75 cents per gallon before the budget was brought down in March. It was increased to $2.50 a gallon or over 300 per cent in the budget but now the Minister of Finance announces that it was found to be too high. It was discovered in the meantime that if the rate of $2.50 per gallon was to apply it would be cheaper to import perfumes into Canada than to manufacture them here. When this was discovered, as a result of representations made by the Pharmaceutical Association and the Medical Society, the rate was set at $1.50 per gallon."

Use of the proposed Tariff Board, or a similar organization, to advise on taxation has been suggested in some quarters. The idea has much to commend it and would undoubtedly help to avoid the multitude of disturbing changes which have followed recent budgets but it would lead to leakage of information.

No matter what means are employed, it undoubtedly remains the duty of the Minister of Finance to produce a budget containing materially fewer blunders than past ones.

TRYING TO JUSTIFY POWER SCANDAL

THE attorney-general of Ontario, in a political speech, justifies the transaction by which the province became the owner of the Abitibi Canyon Power development. He justifies it on very peculiar grounds. He points out that the province made an offer of Ontario government bonds with a reduced interest rate to the holders of the bonds of the power project. If the province had gone into the open market to purchase the bonds it would have had to pay a higher price for them and the interest rate would have continued at a rate higher than the rate on the government bonds issued in exchange. On this basis of reasoning, he argues that the province saved a great deal of money through the transaction.

The speech is a clever political dodge designed to evade a direct answer to the really important questions:

1. Why did the province ever encourage this enterprise to be started in the first place? Why did it sign a contract to purchase power when that power was not needed? Why did the former prime minister of Ontario give the enterprise his blessing in a newspaper interview and thus lead investors to purchase the bonds?

2. When it became apparent that the project had been conceived and started years before there could possibly be a market for the power and when it faced complete bankruptcy because of the inability of its sponsors to find the money required to complete it, why did the province buy it at all?

Justifying the investment of $23,000,000 by saying that another approach to the purchase would have involved an investment of several million dollars more is sheer political clap-trap.

If the province was determined that it wanted to own the enterprise, it should have allowed it to go on the auction block when it could have picked it up for a few million dollars. In this case, the investors in the bonds would have lost a considerable amount of money. Of that there can be no argument. But since when did it become sound doctrine for a government to step in and use the taxpayers' money to protect investors from the consequences of their own mistakes?

There is a great deal of mystery regarding the whole transaction. It is quite evident that the complete story of malfeasance in public duty has never been told.

CHEAPENING MONEY IN CANADA

THE Treasury Board at Ottawa has reduced the rate on general advances to banks under the Finance Act from 3½ to 2½ per cent. This is the lowest rate on record. The rate for the special advances of $35,000,000 made on Nov. 1, 1932, has not been changed from three per cent.

The change in the Finance Act was made effective from May 1, coinciding with the reduction of the rate on savings deposits to 2½ per cent. Undoubtedly it represents another phase of the movement towards cheapening credit in Canada.

While there is considerable uncertainty as to the probable effects of these reductions in interest rates, they at least lay the foundation for lower long term interest. Economists are agreed that cheap money for short and long term are among the price requisites for recovery. They are not in complete agreement as to how the demand for such cheap money is to be stimulated. But it is desirable that it be available for good borrowers when they require it. It is difficult to start building a new house with confidence, unless the desirable materials are sure to be available at favorable prices.

REVIVES OLD FALLACY ABOUT PRINTED MONEY

HON. W. D. EULER, formerly a minister of the Crown, suggests that the Dominion government might issue its own currency to an amount sufficient to finance the acquisition of the Beauharnois project. He would permit the revenues obtained from the development and sale of power to retire all of these notes in a reasonable time and, of course, there would be no interest payable on the notes.

Presumably the way the operation would be handled would be for the government to approach the bondholders and stockholders and agree upon a price for their holdings and having fixed upon the price, to pay each of the investors the agreed sum in new federal currency.

Mr. Euler says that the notes would be retired out of the profits of the enterprise. This means obviously that he expects the notes to remain outstanding and in circulation until sufficient profits have been earned to retire them. They would either have to remain in the hands of the investors who receive them or be used by these investors to purchase other securities or to purchase the necessities of life. Obviously, no investor would hold hundreds of dollars, or thousands of dollars of currency in his pocket or in a vault earning him no interest. As a matter of fact, this is equivalent to hoarding currency which has been made a serious offence under the emergency powers granted to President Roosevelt in the United States. If the government were to arrange for the investor to hold his currency until it could be redeemed, and it offered him no interest on it, the investors, in fixing the price at which they would be willing to sell, would make allowance for the present capitalization of all the interest to which they would ordinarily be entitled so that the interest would in effect be paid and be paid in advance.

However, what really would happen would be that the investors would take their Dominion notes to the bank and deposit them, using the credit balance in their accounts either as a savings account earning interest or to purchase other securities. The banks would then have the notes. If they had any demand for loans they would use the notes as a basis for additional currency of their own. If, however, there were no demand for loans they would present the notes to the government for redemption. So about two or three weeks after having financed the purchase of the Beauharnois transaction by this skilfully designed experiment in finance the government would be faced with the job of redeeming its notes and the whole bubble would be punctured.

Mr. Euler is a newspaper publisher. Perhaps he might induce the government to try the experiment on a smaller scale by issuing just enough notes to purchase his newspaper, which is just as rightfully to be regarded as a public interest as is a power enterprise. The additional advantage of this is that his job printing plant might be able to get the order for the printing of the money.

Bur Mr. Euler is wrong in assuming that there is anything experimental about this transaction. It has been tried before and the results of such financial operations can be read in almost any economic text book.

POST-scripts

WE ARE always refreshed to receive one of these numerous magazines published by Hindoo scholars in the English language. To hand, there is a copy of the Vaitarani, the first and only English monthly of Behar and Orissa Province. It takes twenty lines of type to describe the particular qualifications of the editor. He sent us a copy of his last issue because in it he reviewed The Financial Post Business Year Book. Of it he says in part: "Such a spate of business is so well described that the Year Book becomes of permanent use." The new Oxford English Dictionary describes "spate" as "a flood or inundation." The most delightful touch in the review is to be found in the last four words which read "nice paper, nice print."

We thank the editor for his friendly words but we are somewhat jealous. Some of his most pointed words are saved for other books that are reviewed in the same issue. Of The Monopoly of Credit, the reviewer says, "We like the book, handy & cosy." And of a book of essays he says, "Written with a permanent glow, bright but not blinding, genial and calm."

FIVE years ago a representative of The Financial Post was in Washington on the day that Eugene Meyer resigned as president of the Federal Farm Loan Board. The Post man and Mr. Meyer met at dinner in the evening when Mr. Meyer stated that it was his intention to retire to the comparative quiet of his home on the Hudson and reflect upon the activities of a busy life as a Wall Street and international banker.

But two years later Mr. Meyer was drafted by President Hoover to take over the governorship of the Federal Reserve Board.

Now he has resigned again, being completely out of sympathy with the Roosevelt inflation programme. A couple of weeks ago, the same representative of The Financial Post was in Washington and met Mr. Meyer at a reception. He reminded Mr. Meyer that when they had last met the American financier had just retired from a big United States government banking job and that on this occasion the same condition prevailed.

"Well, I am not going to take any more governmental financial jobs," said Mr. Meyer.

"But," said The Financial Post, "that's what you said the last time."

"I mean it this time," said Mr. Meyer. "I am through for good. I am going to travel."

Whether or not Mr. Meyer is through for good remains to be seen. He is still comparatively young, he is independently wealthy and he has an enormous stake in some of the largest American industrial companies. Admittedly, one of the cleverest of American bankers, he will probably be drafted for another job if and when the republicans come into power.

At the reception, two weeks ago, his wife turned to The Financial Post staff member and said: "If my husband lets anyone give him another job, would you mind coming to Washington again? He always seems to send in his resignation just before you arrive."

New Books

"The Means to Prosperity"

John Maynard Keynes has published in pamphlet form the four articles on "The Means to Prosperity" which he recently wrote for the London Times. The articles have been slightly enlarged. At the time of their appearance in The Times they were rather thoroughly reviewed in The Financial Post.

Professor Keynes, who is the well known monetary authority of King's College, Cambridge, suggests that under certain conditions countries can today stoke the furnace of enterprise by borrowing money for public works.

The second most important suggestion he makes is for an international note issue, to be considered by international agreement the equivalent of gold, which would enable the present excessive gold reserves of certain countries to be shared with the world at large.

The articles have aroused a great deal of discussion in the Old Country and the viewpoints expressed were very much to the fore in recent statesmen's conversations in Washington.

"The Means to Prosperity" by Professor Keynes is published by the Macmillan Company of Canada, Toronto, at 30c.

"How to Restore Self-Government and Prosperity"

Herbert N. Casson has gathered together in one small book his ideas on the menace of politicalism, the destruction of private enterprise, the dominance of bureaucracy and the intolerable tax burden that the people of Britain, United States and other countries are bearing today.

Mr. Casson concludes with a plan for a reorganized British Commons which would consist of the heads of the associations in trade, agriculture, the professions, together with the trade unions. The suggestion is obviously an unsound one but it is doubtful if Mr. Casson intended it to be taken seriously. It is probably merely his way of bringing out the blundering inefficiency of many phases of the present political system.

Mr. Casson is editor of the Efficiency Magazine in London, England. He is a former Canadian, who got his early business training in Canada, became a famous efficiency expert in the United States and then went to London to carry on similar work and to edit his magazine. He has written about two score or more books on business and salesmanship topics, all bright and interesting but all with the superficiality that is necessary for a mass audience.

Mr. Casson calls his newest book "How to Restore Self-Government and Prosperity." It is published by the Efficiency Magazine, 87 Regent Street, London W1, and sells at 5/-.

As Others See Us

For a Lowered Overhead

The Carleton Place Canadian.—Few people have any time for the critic who is always criticising without offering anything constructive to take the place of the conditions found fault with. This fault cannot be laid at the door of that very excellent paper The Financial Post which enjoys a large circulation throughout Canada and numbers many warm friends in Carleton Place. The Post has been offering many suggestions (along with its criticisms) as to methods which would assist in a balanced budget for the Dominion Government.

It has "dealt specifically with many items of wasteful or extravagant expenditure in federal administration and the sum total of these wastes amounts to many millions of dollars yearly. A few of the types of over-expenditures that have been specifically dealt with are: the farm lending scheme, the radio commission, overlapping of departments, ineffective administration of the civil service, guarantees of wheat, harbor, railway and other loans, operation of practically useless canals, maintenance of unprofitable shipping routes, extravagant development of harbors, payment of subsidies to special interests, financing of operations that should be provincial or municipal in scope, duplication of agricultural activities of the provinces, etc."

The above seems to offer a fairly comprehensive list as a starter toward a balanced budget, and all are worthy of a careful consideration.

"Stop Me If You Have Heard This One"

"How do you propose to pay for it?"

"Why, we will print the money?"

"Do you mean just print it?"

"Yes, just print it."

"Well, after you have started the presses, why should you stop with just half a billion dollars for this project?"

"Oh, I would not."

"Well how much more would you print?"

"Oh, I would print two and a half billion more to pay the bonus."

"Would you stop there?"

"No, I would print five billion more for public building projects."

"Well, would you stop there?"

"No, I would print a couple of billion more to pay the current federal deficit."

"Well, would you stop there?"

"Well, I will tell you; I am not much of an economist and so I do not know where it would be wise to stop."

Above is an actual transcript of evidence before the Commerce Committee of the United States House of Representatives, a Congressman in the stand.

The World at Large

An Occasional Department Discussing World Economic Affairs That Affect Canada

By F. S. C.

THE U. S. PROGRAMME

WASHINGTON. — One cannot adequately understand what is going on in Washington unless one keeps two facts clearly in mind.

1. The purpose of all the numerous and highly unconventional pieces of legislation going through Congress is to vest in the hands of President Roosevelt dictatorial powers over the entire economic life of the nation.

2. Vested with this power, the president, through a group of sub-dictators will control production, credit, prices and to some extent profits to the end of getting the economic machinery working again.

Obviously this is State Socialism on a scale unprecedented outside of Russia. Obviously it runs counter to all of the strongest American traditions. But also obvious is the fact that even some of the most conservative business, financial and railway leaders are behind the president in his programme. They agree that he is making no mistake when he sizes up the present situation as an emergency as serious as war. To save their individualist economy they are ready to sacrifice independence of action for a few years. To save Democracy they are prepared to concentrate the power of the Democracy in the hands of a single individual.

And they are not fooled by the president's references to "partnership." They know that this is sheer euphemism for "dictatorship."

* * *

IT SHOULD be emphasized that control is not directed to any single phase of economic life but to all of them.

The farm bill, with its numerous riders and amendments, places the entire agricultural life of the United States under the control of Washington. Through extensive powers granted to the President to bonus those who submit to control of their planting and in effect to punish those who do not, or at least to make it uncomfortable for them, it is hoped to balance production and consumption in agriculture. Where there is opportunity or necessity for export trade, it will be encouraged. Where it is felt that the United States cannot compete under present conditions with other countries in export trade, an attempt will be made to bring production down to a purely domestic level. This undoubtedly will apply to wheat during the coming year and no marked degree of control is necessary to achieve this. Working closely with the agricultural dictator to be appointed by the President will be a farm finance dictator who will be able to bring financial pressure to bear upon farmers to submit to the government will.

* * *

INDUSTRY also will come under control. The President's original idea of bringing about a radical shortening of working hours by legislation and of putting all industrial plants under the control of a sub-dictator who would allot production to them has undergone considerable modification. The hope now is to work through the industries themselves and to encourage them to establish what are in effect cartels and trade agreements by relieving them from overhanging threat of punishment under the anti-trust laws.

Each large key industry in the United States will be expected to establish its own plans to control production and the expectation is that in the controlling of production opportunity will be found for putting a larger number of men back at work. There would seem at first glance to be no little semblance of a paradox in a situation where control of over-production is combined with an effort to put men back at work but the feeling is that the rationing of production among industries will reveal large opportunities for additional employment especially when the whole programme and its confidence-building character is envisaged.

* * *

AGRICULTURE and industry having been disposed of, the next step will be to bring transportation under government control. Steps in this direction have already been undertaken and the president has introduced his railway bill in Congress. The purpose of the bill is to achieve a recapitalization of the railways to a more reasonable basis, the elimination of wasteful competition and duplication of services, and as large a measure of consolidation as can be quickly developed. The government has some strong weapons in its possession in the form of the power to make loans from the Reconstruction Finance Corp., and in the very necessities of the railways themselves.

* * *

FINANCE, too, is coming under government control. A firm hand is being held upon banking operations; the underwriting of new securities is being subjected to regulation to a degree quite unparalleled in any country; government credit will be made available only to those financial and industrial institutions which answer to the crack of the presidential whip and through the reconstitution of the personnel of the Federal Reserve Board, the whole financial life of the nation will soon be made comparatively amenable to the White House programme.

Side by side with this vast extension of state control of agricultural industry, transportation and finance, stands the government programme of cheapening the dollar to raise prices which is but a preliminary to the larger programme of getting business going again by vast expenditures on public works.

The government is subjecting itself to a certain measure of control in the virtual balancing of the ordinary budget in order to give confidence in the bond issues that will be necessary if there are to be huge expenditures on capital account.

* * *

SEATED at a somewhat littered desk in the oval presidential office of the White House is Franklin D. Roosevelt, conceiver and controller of this programme. No State Socialist, no Communist, he is putting the wealth of the wealthiest country in the world under a measure of control that cheers his supporters—numbering most of the people in the United States—and numbs the sensibilities of those who retain their conservative inhibitions against bureaucracy.

In contemporary print President Roosevelt appears almost a superman. He has played upon the emotional aspects of American mass psychology and won approval of acts of daring. He takes drastic steps and makes electric moves, tells why he is making them, but does not promise that they will achieve what they are intended to do. He has turned Washington into the most gigantic laboratory in economic experimentation this side of Russia. Rich and poor, theorist and practical man, politician and business man, are giving him support.

It looks like State Socialism on a huge scale. Maybe it is. If it is it runs counter to all United States traditions. Maybe on the other hand it is merely an attempt to give planning and direction of a capitalist economy. Political policies the world over created the depression which cannot be solved without some intervention by the statesmen, thinks the President.

* * *

FEW stop to ask themselves where the United States will finally come out. Can large scale Socialism, invoked as an emergency measure, be rapidly deflated when traditional American opinions on individualism reassert themselves? It is easier to get governments into business than to get them out. Likewise it is easier to write laws than to repeal them.

Hoover was a better long-range planner than Roosevelt. It may be that, after Roosevelt is through taking the emergency actions necessary to speed up the cumbersome Hoover programme of reconstruction, Hoover will have to come back and disentangle the political and economic machine again. Each man to his task.

* * *

ROOSEVELT'S tempo will decline. He is moving with lightning speed now to get his plans working before Congress again reaches out to reassert its power. Later, the separation of legislative and executive authority will loom again to brake his fast moving machine.

In the background, too, is the third force in the American state, the judiciary, represented by the United States Supreme Court which may declare many of the Roosevelt emergency actions unconstitutional. But if they have already served their purpose by the time the court decides, no one will mind much; it would be a simple way to get rid of some of the measures that might otherwise continue in force after they were needed.

However, for the moment, little reliance can be placed upon the Supreme Court. There are vacancies to be filled. In effect, Roosevelt will nominate the new judges. He will demand "realism" in the court's rulings. He will get it.

Security Review

Frequent changes in business and financial conditions make a regular review of even the most carefully selected investment list advisable.

We are pleased to extend the facilities of our analytical department to those desiring service of this character.

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FRANCE
Spring style shows in Paris—all winter shows still running—Racing at Vinecures.

GERMANY
Brahms Centennial Festival opens at Wurzburg—Annual Agricultural Exhibition at Berlin—Kaiser Wilhelm Society for Advancement of Science, in Berlin—Wagner Year Concerts.

ITALY
Holy Year Celebrations—International Exhibition of Modern Arts at Milan—Fete of "Calcio" at Florence—Vienna Philharmonic Orchestra at the Augusteo, Rome—Royal Grand Prix Auto Races in Rome.

CZECHOSLOVAKIA
Napoleonic Congress at Prague—International Students Lawn Tennis Tournament at Prague.

SWEDEN
16th Swedish Fair at Gothenburg.

The Week in Business

Refuse Orders

SOME evidence has come to hand during the past week that a few wholesalers and retailers are attempting to place their summer and fall orders now in order to assure themselves of any advantage that further increases in commodity prices would bring. The trend is not widespread, however, according to reports and in addition, manufacturers are not willing to take orders at present prices for later delivery unless they can cover themselves by purchasing their raw materials now. Some manufacturers have refused to book orders except for immediate delivery, their refusal to book advance orders and cover themselves by purchasing raw materials being due to credit restrictions, the banks apparently being unwilling to advance against commodities purchased for this purpose, according to reports.

* * *

New Grocery Plan

COMPETITION for independent groceries, already keen enough by reason of the spread of the chain store, has been intensified in Toronto by the opening of two units of a proposed chain which plans to cut handling costs by elimination of counters, shelves and displays and through sale of goods direct from the original cases. Window displays are being used, however, much after the pattern of other chain organizations. Other than the fact that the interior of the stores is strewn with cases from which one or two packages have been removed and are displayed on top of the cases the stores closely resemble orthodox groceterias.

Carload Groceries, Ltd., is the name of the company which is promoting the new enterprise and it is their intention to establish more branches throughout the busier residential section of Toronto and later spread to adjacent cities. The organization is not being operated on the same plan as a somewhat similar one which created havoc among grocery stores in various sections of the United States by purchasing stock of companies in liquidation and selling at exceedingly low prices from temporary quarters in rented garages or halls. The Toronto firm purchases from recognized manufacturers at usual wholesale rates.

* * *

Week of Advances

INCREASE in the wholesale price index from April, while expected, provides the highlight of the statistics released during the past week even although only vegetable and animal products advanced to any extent. A small increase in non-ferrous metals was sufficient to take this index to a higher level than at the same date a year ago, this being the only index in this position. April sugar statistics all reflect the reaction after the boom of March to enable retailers and householders to stock up and thereby avoid the sugar tax, domestic shipments being only 40 per cent of those of the same period a year ago.

Opening of navigation brought Montreal and sorel into the wheat export picture and materially increased exports over the previous week, the 4,457,000 bushels handled being about double the previous week's total. Sorel handled over 1,000,000 bushels, the first shipments of the season, Montreal and Vancouver dividing the bulk of the remainder.

Business Briefs

Car loadings in the week ended April 29 totalled 36,049 cars compared with 34,156 cars in the previous week. Both eastern and western divisions showed good improvement.

Wheat stocks in store for the week ended April 28 amounted to 219,821,968 bu., a slight increase from the 220,371,631 recorded in the previous week and compared with 164,562,278 bus in the corresponding week of 1932.

Wheat exports in the week ended April 28 amounted to 4,456,698 bu., compared with 2,444,355 bu. in the previous week and 4,175,340 bu. in the corresponding week of 1932.

Leather footwear production in March numbered 1,539,487 pairs compared with 1,200,487 in the previous month and 1,720,208 pairs in March, 1932. The usual seasonal increase accounted for the rise from February.

Gasoline consumption in February amounted to 22,677,000 gallons compared with 27,712,000 gallons in January and 26,873,000 gallons in February, 1932.

Less Homesteading

Total homestead entries issued by the Alberta Lands Department for the financial year ended March 31, were 3,499 compared with 4,428 for the previous year. Of the number 976 were granted to women, compared with 1,521 to women in the former year.

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Business Conditions in Canada

COMPETITION KEEN FOR LUMBER TRADE OF GREAT BRITAIN

Permanent Embargo Against Soviet Would Leave Other Difficulties

From Our Own Correspondent

VANCOUVER.—Although British Columbia lumber exporters believe they are in an advantageous position to step into the British market should a permanent embargo be placed on Soviet lumber in the British Isles, there will be an abundance of competition regardless of the Russian situation.

The British market, which buys from Russia an average of nearly 800,000,000 board feet of softwood lumber annually, is a prize jealously regarded by most of the world's big lumber producing countries. If the embargo is continued and British orders now placed with Russian companies must be placed elsewhere, there is little doubt that a large proportion of this business will be diverted at once to other North European mills, such as those in Sweden, Finland and other non-Soviet Baltic countries. This would be done because of the time element involved, as early delivery would be required for at least some of the orders. Low prices and cheap transportation rates will also favor the European countries.

U. S. A. Would Compete

The United States will consider itself a bidder for some of the diverted Russian business. Pacific northwest states have been suffering from depression in the lumber markets for some years, and export mills there would not overlook any opportunities of obtaining new business. The 10 per cent preferential agreement in Canada's favor is believed, however, to be sufficient barrier to the United States' plans to enter the British market on an extensive scale.

During the first three months of 1933 British Columbia supplied about 70 per cent of the lumber imports of the United Kingdom from the North Pacific coast. British Columbia's share of the business with Australia was more than 80 per cent. While the States has had the larger share of the lumber trade with Japan and China so far this year, British Columbia has dominated the Empire markets, and this situation may be credited directly to the trade agreements drafted at the Ottawa conference or before then.

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Fuels Developments, Ltd., an English company, will erect a plant at Alfred, Ont., having an output of 50,000 tons a year, to develop peat deposits. Major Hepburn, of London, Eng., is in charge of operations.

Luxury Upholstering Co. has been formed in Waterloo, Ont., to manufacture to order upholstered furniture.

Pre-Selection Transmission Co. of Canada, with head office in Toronto, has established a plant in Welland for manufacture of their product, a pre-selected gear-shift which takes the place of the usual gear lever.

Cardinal Supply Co., Ltd., has commenced operations in Cardinal, Ont., fueling boats plying between Quebec and Fort William. The company's coal-loading plant has a capacity of 400 tons an hour.

Ten Per Cent Reduction In Failures This Year

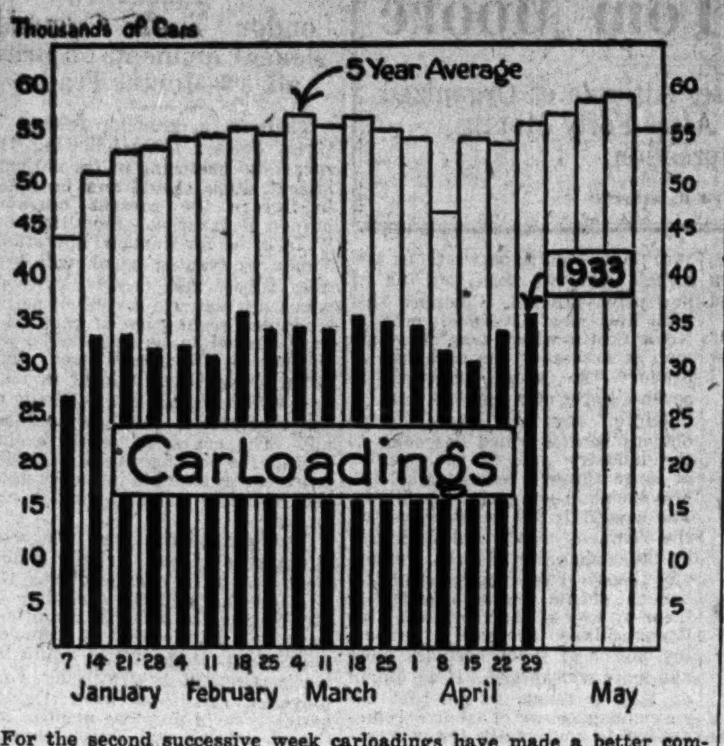
Failures under the Bankruptcy Act for the week ended April 29 totalled 26 as compared with 42 during the corresponding week of 1932. For the year to date, failures have numbered 650 as compared with 726 last year, a decrease of 76 or 10.5 per cent.

Divided by provinces, failures for the year to date are as follows:

Failures Under Bankruptcy Act
(Jan. 1 to April 29)

	1933	1932	Incr. or Decr
P. E. I.	6	6	....
N. S.	28	24	+4
N. B.	23	27	—4
Que.	185	218	—33
Ont.	291	291	....
Man.	29	29	....
Sask.	20	28	—8
Alta.	37	63	—26
B. C.	31	40	—9
	650	726	—76

Reach Peak for Year



For the second successive week carloadings have made a better comparative showing than the usual upward seasonal trend. Further advances along these lines will bring this year's carloadings within reach of the five-year average.

Car Loadings Reach High Point for Year

Adjusted Index Number For Week of April 29 Highest Since Nov., 1932—Almost All Classifications Advance For Second Consecutive Week

Many factors have combined during the past few weeks to carry car loadings to the highest total reached this year and make the seasonally adjusted index number for the week ended April 29 the highest since the second week of November, 1932. With the exception of coal, pulpwood and pulp and paper, all loadings were higher during the week ended April 29 than in the previous week and coal loadings, though slightly reduced, were considerably above expectation considering the generally reduced movement of goods.

Though the trend of carloadings during April and May is upward, based on the experience of the past five years, it is interesting to note that the usual seasonal increase was missing last year until the second week of May, while this year the last two weeks of April have shown substantial gains from the low level of Easter week.

Navigation Helps

Opening of shipping on the St. Lawrence and Great Lakes has been responsible for increased grain loadings in the latter part of April and this factor has combined with better livestock prices to increase livestock loadings. Livestock loadings in the week ended April 29 are nearly 40 per cent higher than in the corresponding week of the previous year.

Miscellaneous and L. C. L. merchandise loadings for the week ended April 29 totalled 20,173 cars, about 1,000 cars greater than in the previous week and 3,000 ahead of the total for the week of April 15. Compared with a year ago, however, there is a decrease of 22 per cent. Opening of navigation and increased spring demand make the trend of this group upward at this time of the year, but the increase during April this year has been greater than last. L. C. L. merchandise loadings have maintained a fairly even plane during 1933, seasonally adjusted indices show, the high point in the index being in the second week of the year, when 77.63 was reached and the weekly figure since that time has been maintained above 70.0.

Further Increase Likely

The trend of loading of lumber and other forest products is upward at this time of the year but the increases during April have been greater than usual. Totals for both these groups, however, are still well below those recorded in the corresponding weeks of 1932.

As already stated, the long-term trend of loadings during April and May is upward, so that further increases can be looked for during the current month. The good start made in April compared with the failure to increase seen in April, 1932, is cheering; there is no reason to believe, however, that the usual seasonal peak has already been passed, as spring has been late throughout the Dominion.

Expect Grain Movement

Although elevators at the head of the lakes are loaded with 70,000,000 bushels of wheat, the movement of which will be entirely by water, there still remains about 108,000,000 bushels of wheat in country elevators and 80,000,000 in farmers' hands, altogether nearly 50,000,000 bushels more than at the same time a year ago. Maintenance of present increased grain prices and any increased foreign demand will result in the movement of a large portion of this grain and help maintain the higher level of total loadings.

Loadings in the four months ended April amounted to 358,227 cars, compared with 456,746 cars in the corresponding period of 1932, a decrease of over 20 per cent. During recent weeks, however, the decrease from the corresponding weeks of 1932 has been considerably less than this figure, being only slightly over 10 per cent in the week ended April 20.

Fewer Immigrants Coming From the United Kingdom

Immigrants entering Canada during March numbered 1,126 compared with 1,438 in March a year ago, a decrease of 22 per cent, according to figures recently issued by the Department of Immigration and Colonization. Immigrants from the British Isles showed the largest decrease, one of 63 per cent, while those from the United States only declined 19 per cent. Slovaks and Magyars showed large increases over March a year ago.

The United States provided the bulk of immigrants during the month, 732 coming from that country compared with 903 a year ago; 99 came from the British Isles compared with 270 a year ago, 45 from Northern European countries compared with 59 and 250 other races compared with 206 in March, 1932.

Buy Domestic Coal

Practically all of the coal mined in the Province of Saskatchewan during March was consumed within the province, the production amounting to 70,217 short tons and the exports only 120 tons, of which all but one ton were lignite, the other ton being bituminous.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	Weekly Latest 1932	Cumulative Jan. 1 to date 1933	Cumulative Jan. 1 to date 1932
Transportation—				
Car loadings (Apr. 29)	36,049	41,760	563,510	707,713
C. P. R. gross earn. (Apr. 30)	$ 2,486,000	$ 3,105,000	$ 29,653,000	$ 35,811,000
C. N. R. gross earn. (Apr. 30)	$ 3,550,338	$ 4,062,489	$ 37,281,357	$ 47,323,126
	Monthly			
C. P. R. net earn. (Mar.)	$ 877,495	$ 1,170,302	$ 1,297,479	$ 2,017,415
C. N. R. net earn (Mar.)	$ ‡255,307	$ ‡496,900	$ ‡4,023,243	$ ‡1,329,551
Iron and Steel—				
Pig iron, tons (Mar.)	nil	17,989	35,353	88,801
Steel, tons (Mar.)	11,212	43,572	64,352	97,101
Automobiles prod., No. (Mar.)	6,632	8,818	13,828	17,526
Automobile exports, No. (Mar.)	1,637	592	2,418	1,588
Construction—				
Building permits (Mar.)	$ 934,555	$ 3,396,729	$ 3,016,339	$ 9,453,012
Contracts (Apr.)	$ 8,608,700	$ 10,112,900	$ 18,312,000	$ 48,419,700
Newsprint—				
Production, tons (Mar.)	137,078	166,758	403,227	490,330
Exports, tons, (Mar.)	136,006	171,650	373,230	487,008
Sugar—				
Imports, raw, lbs. (Mar.)	61,707,100	97,876,600	82,327,200	134,232,900
Melt. & ship., lbs.*	43,697,904	34,644,152	139,396,717	142,983,040
Manufactured, lbs.*	46,454,674	35,879,441	149,537,094	141,327,647
Flour—				
Production, bbls. (Feb.)	844,899	842,128	1,604,006	1,699,318
Wheat flour exp., bbls. (Mar.)	490,270	414,779	1,220,688	1,084,098
Other Industrial Indices—				
Lumbering: Plank & board exports, mill ft. (Mar.)	60.46	77.55	136.35	191.84
Boots and shoes, pr. (Mar.)	1,539,487	1,720,208	3,661,661	4,390,813
Petroleum, imp. crude, gal. (March)	49,336,328	67,635,125	121,977,197	188,946,525
Cotton, imp., raw, lbs. (March)	6,374,000	10,212,000	21,165,000	26,914,000
Rubber, raw, imp. lbs. (Mar.)	2,495,430	5,796,594	7,789,857	18,567,283
Coal, imports, tons (Mar.	497,908	711,522	1,439,386	1,849,851
Gasoline sales (Feb.)	22,677,000	26,873,000	50,389,000	52,227,000
Trade—				
Imports (March)	$ 22,856,623	$ 57,448,206	$ 60,805,870	$ 127,148,798
Exports (March)	$ 36,576,834	$ 39,749,307	$ 94,536,176	$ 114,547,061
Wheat exports, bus. (Mar.)	14,815,705	9,920,634	40,444,343	29,291,343
Labor—				
Employment Index (Apr.)	76.0	87.5	......	......
Electric Power—Output—				
M. Kilowatt hours (Mar.)	1,371,047	1,388,696	4,067,252	4,127,747
Finance—				
Failures, No. (Feb.)	214	221	427	459
Failures, Liabilities (Feb.)	$ 3,947,000	$ 3,650,728	$ 7,996,920	$ 7,711,371
Bank debits† (Mar.)	$ 1,887,000	$ 2,024,000	$ 5,696,152	$ 6,085,081
Bond sales (Mar.)	$ 360,728	$ 35,724,177	$ 20,773,386	$ 102,156,332
Insurance sales (Mar.)	$ 29,763,000	$ 37,467,000	$ 86,453,000	$ 112,948,000
Automobile Financing:				
Used cars (Mar.)	$ 849,815	$ 964,196	$ 2,088,859	$ 2,578,360
New cars (Mar.)	$ 914,609	$ 1,060,440	$ 1,906,628	$ 2,420,852

*Four weeks period, Apr. 1 to Apr. 22. †(000's omitted). ‡Deficit.

Commodity Prices

	Week ending May 6	Previous week	Same week last yr.
Cattle (cwt.)	$5.75	$5.20	$6.50
Copper, lb.	.06¾	.06¼	.05¾
Cotton, lb.	.0860	.0790	.0690
Rubber, lb.	.0475	.0438	.0425
Sugar, raw, lb.	.0385	.0320	.0258
Silk, lb.	1.62½	1.60	1.35
Wheat (Man.) bu.	.64¼	.59½	.62⅝
Hides, lb.	.09	.08	.04¼
Coffee, lb.	.08¼	.08	.08½
Weekly Indices*			
N. Y. Annalist‡	87.9	86.3	89.6
Fishers'	59.2	58.6	†62.0
N. Y. Journal of Comm.	58.5	57.6	58.1
Crumps (Brit.)	61.1	60.6	†62.4

†Average 1932.
‡Week to May 2.
*Week to May 6.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S. (Mar.)	64.4	63.6	69.1
Retail (Mar.)	78.9	79.0	...
U. S. Labor (Mar.)	60.2	59.8	66.00
Gt. Brit. (Feb.)	66.7	67.7	71.1

‡ Basis of price quotations is as follows: cattle — steers, good, over 1,050 lbs., top price. Toronto; copper—electrolytic, New York; silk—Japanese, 13-15, New York; sugar—96 degree centrifugal c/f New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

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BUILDING GROUPS SEEK INFORMATION ON WORK PENDING

Replies to Date Indicate Large Volume is Held Up

In order to obtain some idea of the amount of projected construction work which has been proposed during the past few years and not carried out for one reason or another, the National Construction Council of Canada has sent a questionnaire to the different Boards of Trade in the larger Canadian cities and towns requesting this information, it was stated at the first meeting the council held in Toronto on May 2. Information regarding federal, municipal and provincial and private work is requested.

An official of the council told The Financial Post that returns which have come in to date show that there is a large quantity of this work which is pending, sufficient, it is said, to put the industry back on its feet if it could be started now.

Permanent Executive

Permanent officials and executive were appointed at the meeting, all associations connected with the construction industry in Canada agreeing to band themselves together. Officials elected are as follows:

George Oakley, M.P.P., of the Canadian Construction Association, president; Gorden M. West, of the Royal Architectural Instittue, first vice-president; J. B. Carswell, of the Engineering Institute of Canada, second vice-president; A. Ross Robertson, of the Canadian Manufacturers' Association, treasurer; I. Markus, secretary. With the exception of Mr. Markus and with the addition of E. Ingles of the Trades and Labor Congress, A. C. Manbert of the Canadian Lumbermen's Association and Charles M. Wallace of the Canadian Cermatic Society, these men form the executive council.

April Sugar Shipments Low Following Mar. Tax Evasion

Domestic shipments of sugar during the four weeks ended April 22 reflect the rush during the four previous weeks to avoid the recently levied excise tax, only 28 million pounds being shipped compared with 55,600,000 pounds in the same period of 1932.

Stocks on hand at April 22 amounted to slightly over 93 million pounds compared with nearly 110 million pounds at the same date a year ago.

Week's Figures Feature Rises In Main Indices

Increase of footwear production by 28 per cent in March from the previous month, while not bringing the March total to the level of the same month a year ago, is nevertheless a much larger increase than that of 10 per cent between February and March, 1932, and narrows the decline from the production of the previous year. Lower gasoline consumption is expected in February compared with January owing to weather conditions but the decline of 15.6 per cent from February, 1932, is larger than might be expected.

Monthly		April, 1933	% Change From Prev. Period	% Change From Prev. Year
W'sale prices	No.	65.9	+ 2.3	— 3.7
Sugar shpmts.	lbs.	22,923,803	—82.3	—58.8
		March, 1933		
Footwear prod.	prs.	1,539,487	+28.3	—11.1
Pete. prod.	bbls.	87,218	+19.3	—10.6
		Feb., 1933		
Gasoline consump.	gal.	22,677,000	—18.2	—15.6
Weekly*		April 1933		
Car loadings	No.	36,049	+ 5.5	—13.7
Wheat stks.	bu.	219,821,968	+ 0.2	+33.5
Wheat exp.	bu.	4,456,698	+82.4	+ 6.3

*Weeks ended April 29, 28 and 28 respectively.

WHOLESALE PRICES CONTINUE ADVANCE

April Index Rises for Second Consecutive Monthly Gain

For the second consecutive month, the wholesale price index of the Dominion Bureau of Statistics made a substantial gain in April over the previous month, rising to 65.9 from 64.4. Higher quotations for vegetable and animal products were again the chief causes of the rise in the general index although non-ferrous metals and products gained slightly. Of the 502 quotations used in compiling the general index, 102 were higher, 68 were lower and the remainder were unchanged.

In April a year ago the general index was 68.4, a three year monthly decline having gone on unchecked

No losses are recorded in the vegetable products group, the chief gains being made by flax, wheat, barley, corn, flour, bran, shorts and sugar. Advances for steers, hogs, lambs, hides, lard and fresh and cured meats were responsible for the increase in the animal and products index, more than offsetting losses in calves, furs and eggs. Indices compared with the previous month and year are shown below.

Indices of Wholesale Prices
(1926 = 100)

	April 1933	March 1933	April 1932
Veg. products	56.8	52.1	57.1
Animal products	59.6	58.2	60.2
Fibres & textiles	67.3	67.9	71.1
Wood & products	62.8	63.2	74.0
Iron & products	86.0	85.0	86.5
Non-ferrous metals	60.5	59.8	58.5
Non-metallic minerals	84.0	84.3	86.0
Chemicals	82.4	82.6	83.3
Total	65.9	64.4	68.4

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Manitoba Wholesalers Active

According to a preliminary summary of "Wholesale Trade in Canada," issued by the Dominion Bureau of Statistics, the Province of Manitoba furnished 19.42 per cent of Canada's wholesale trade during the year 1930, the number of establishments being 1,275 and the net sales amounting to $608,528,100. The totals for all Canada were 12,914 establishments doing net business of $3,133,733,700.

TWENTIETH ANNUAL FINANCIAL STATEMENT AND DIRECTORS' REPORT

WESTERN GROCERS LIMITED

WHOLESALE GROCERS

At the Annual General Meeting of the Shareholders of Western Grocers Limited, held at the head office of the Company, the Directors' Annual Report and Statement for the year ending December 31st, 1932, was presented and approved.

The directors, W. P. Riley, W. H. McWilliams, H. W. Hutchinson and Frank O. Fowler, were re-elected, and at a meeting of the Board, following the Shareholders' Meeting, the officers of the Company were re-elected.

The Directors' Report follows:

REPORT TO SHAREHOLDERS

Herein your Directors present the Twentieth Annual Report, covering the fiscal year ended December 31, 1932, together with a statement of the financial condition of the Company at the close of the year.

OPERATING ACCOUNT

After deducting all operating expenses, interest paid on bank loans and making provision for bad and doubtful accounts, the income for the year was $141,135.93. This sum, added to the surplus carried forward from 1931, made a total of $514,045.38, which was dealt with as follows:

Written off for depreciation on buildings	$ 21,640.02
Written off for depreciation on delivery and warehouse equipment and office furniture and fixtures	18,091.15
Reserve for Income Tax, 1932	13,000.00
Dividends Paid on Preference Stock	83,601.00
Transferred to Contingent Reserve	100,000.00
Balance at credit of Surplus Account, December 31, 1932	277,713.21
	$514,045.38

It will be observed that the income shows an increase over that of the year 1931, derived from a slight betterment in gross profit and some savings in operating expenses. The sales volume for the year was approximately the same as that of the previous twelve months.

The merchandise in the Company's warehouses was inventoried in the usual conservative manner at cost or market, whichever was lower. Provision has been made for possible losses on customer's accounts receivable.

Having regard to general conditions, particularly the situation in Western Canada, your Directors considered it prudent to create a contingent reserve as of December 31st, by transferring the sum of $100,000.00 out of surplus account.

As at September 1st, the Company entered into an agreement to purchase the capital shares of Nash-Simington Company Limited, an organization wholesaling fruit and vegetables in the same territory in which your Company operates. Completion of the purchase of the shares had been effected by November 30th, and Nash-Simington Company Limited is now being operated as a subsidiary Company.

Your Directors believe that the control of Nash-Simington Company Limited will be of considerable advantage to your Company and that in the process of time, when the parent Company's operating methods have been put into force, the investment in Nash-Simington Company Limited will yield substantial dividends.

The obligation to the Bank represents almost exactly the Company's investment in Nash-Simington Company Limited.

During the month of October your Company disposed of its branches at Cranbrook, B.C., and Fort William, Ont. In the opinion of your Directors this move will be of benefit from an operating point of view. The customers of the former Fort William branch are being served by Port Arthur branch.

RED & WHITE STORES

The volume of business through the Red & White Stores continues to be satisfactory, considering prevailing conditions. Your Company has no investment in these stores which are independently owned by customers of the Company, who work with your management under the Red & White plan of merchandising.

COMPARATIVE BALANCE SHEET

ASSETS

	As at December 31 1932	As at December 31 1931	Increase or Decrease*
Current and Working Assets:			
Cash on Hand and in Banks	$ 70,494.80	$ 114,915.11	$ 44,420.31*
Merchandise, at cost, or market if lower	1,013,691.31	877,732.37	135,958.94
Accounts Receivable, Customers'	940,198.94	982,526.63	42,327.69*
Advances on Merchandise and Sundry Debtors	39,067.50	41,205.84	2,138.34*
Prepaid Insurance, Interest, etc.	17,027.74	16,998.99	28.75
Total Current and Working Assets	$2,080,480.29	$2,033,378.94	$ 47,101.35
Investments:			
Nash-Simington Company Limited shares	969,878.18		969,878.18
Real Estate, not in use for warehouses, and other investments	39,825.00	39,825.00	———
Warehouse Properties:			
Real Estate and Buildings, less depreciation	817,034.07	884,258.93	67,224.86*
Plant and Equipment:			
Including Automobiles, Motor Trucks, Office and Warehouse equipment, less depreciation	69,755.82	87,665.83	17,910.01*
Total Assets	$3,976,973.31	$3,045,128.70	$931,844.61

LIABILITIES

	1932	1931	Increase or Decrease*
Current Liabilities:			
Bank Loans, Secured	$ 976,500.00	Nil	$976,500.00
Acceptances and Accounts Payable, also Reserve for Income Tax	384,062.36	433,552.26	49,489.90*
Dividends on Preferred Shares for 3 months ended December 31	20,900.25	20,900.25	....
Dividends previously declared and still unclaimed	634.75	604.00	30.75
Total Current Liabilities	$1,382,097.36	$ 455,056.51	$927,040.85
Reserve for Contingencies	100,000.00		100,000.00
CAPITAL STOCK			
Authorized:			
7% Cumulative Preference Shares of $100.00 each—$2,500,000.00.			
Common Shares of No Par Value 30,000 Shares.			
Issued and Outstanding			
7% Cumulative Preference Shares of $100.00 each—11,943 Shares	$1,194,300.00	$1,194,300.00	....
Common Shares of No Par Value —16,943 Shares	1,022,862.74	1,022,862.74	....
Earned Surplus	277,713.21	372,909.45	95,196.24*
Total Liabilities	$3,976,973.31	$3,045,128.70	$931,844.61

Approved on behalf of the Board.
F. O. FOWLER } Directors.
H. W. HUTCHINSON }

Contingent Liabilities Reported, $21,700.00.

Decrease*

HEAD OFFICE: WINNIPEG, MANITOBA
BRANCHES:
Calgary, Edmonton and Lethbridge in Alberta.
Moose Jaw, North Battleford, Prince Albert, Regina, Saskatoon and Yorkton in Saskatchewan.
Brandon, Dauphin, The Pas and Winnipeg in Manitoba.
Fort Frances, Kenora and Port Arthur in Ontario.

Insurance for Buyer and Seller

ENDOWMENT GAIN SHOWS CONFIDENCE FINLAYSON STATES

Public Realize Excellence of Contract as An Investment

Increase in endowment business written in 1932 over the previous year shows increasing confidence of the public in life insurance companies as a media for investment, G. D. Finlayson, Dominion superintendent of insurance, stated in the course of an address given in Ottawa at the annual educational congress luncheon of the Life Underwriters' Association. This increase in endowment business was in the face of a large decrease in all other types of contracts, he said.

In 1932, for the first time in 55 years the total amount of life insurance in force in Canada at the end of the year was shown to be less than at the end of the preceding year, Mr. Finlayson stated. Also in 1932, for the third year in succession, the amount of new business written was lower than in the previous year, the decrease in 1932 compared with 1931 being 16 per cent and from 1930 to 1932 it was 26 per cent.

Insurance in Force

Total insurance in force at the end of 1932 was 2 per cent less than at the end of the previous year, which in turn was 2 per cent greater than in 1930, thus making the total at the end of 1932 slightly below the amount in force at the end of 1930.

Mr. Finlayson did not quote figures except to state that in 1931 payments made in Canada on surrender value of policies were $80,000,000 and that in 1932 the payments exceeded by 50 per cent the amounts paid in 1931. In 1931, he said, the amount paid in surrender values was about equal to the amount paid in death claims and matured amounts while in 1932 it was considerably greater.

Educate Public

In concluding his address, Mr. Finlayson said that it was the duty of insurance companies to educate the public that insurance was not a speculation. It is up to insurance men, he said, to preach the difference between insurance and speculation, the former in which value for value is given and the latter in which one seeks to get value for nothing.

Insurance Inklings

M. F. CHRISTIE has been elected a vice-president of the Great West Life Assurance Co. in succession to the late Sir Daniel H. McMillan, K.C.M.G.

Lt.-Col. W. H. SEYMOUR has resigned from the position of Hamilton district manager of the Imperial Life Assurance Co. and will be succeeded by H. K. Hunt, formerly of Calgary. Lt.-Col. Seymour will continue to be connected with the company as a general agent.

McFADYEN CO., LTD., fire and casualty insurance agents in Winnipeg, has moved into a new building at 362 Main Street.

Canadian Hardware Implement Underwriters announces that tentative financial statement of the constituent companies show that during the first three months of 1933 surplus had been increased by $210,000.

Life Insurance "Option" Costs Less Than Half a Regular Life Policy

Term Insurance Gains in Popularity as Depression Shrinks "Estates" and Individual Buying Power —Most Policies Will be Converted

Rigors of world depression have brought many changes in the life insurance business. Some are temporary, others permanent.

To the buyer of life insurance one of the most interesting is the increase in popularity of the term insurance policy.

A few years ago "term" insurance was one of the least used words in the insurance salesman's vocabulary. It still is for many underwriters.

A prospective client would be shown the merits and virtues of endowment and ordinary life contracts and the pros and cons of a participating or "with profits" policy as against a non-par contract which carried no profits or dividends. But little or nothing would be said about the term plan of purchasing a life policy.

Merely Option to Buy

For "term" insurance is nothing more nor less than an option to buy a regular life insurance policy at some future date. Rates are very low—usually about one-half the cost of a corresponding ordinary non-participating contract—the reason being that term insurance (as commonly sold in this country on a non-par basis) is "pure" insurance protection, with no provision for policy reserves and with no profit sharing features.

For many companies the depression has changed the attitude of agents and company officials to term business. One leading Canadian life company told The Financial Post that roughly 19 per cent of its ordinary life business in 1932 was written on a "term" basis. Looked at in the light of actual sales volume over the past 10 or 15 years, this is an amazingly high ratio.

To Rebuild Estates

What has happened in many cases, of course, is this: A business or professional man, who five years ago had a comfortable savings or investment fund of $25,000 or $100,000 tucked away in stocks and bonds now finds that most of this has disappeared and about all he has left in his estate is a little life insurance (usually not anything like enough) and perhaps a somewhat "frozen" interest in his business or in some heavily mortgaged real estate.

He sees the need for adding rapidly to his estate in case anything should happen to him but to purchase the $50,000 of additional life insurance which would do this quickly, would cost him at age 40 at least $1,130 annually—even for an ordinary life non-participating contract. An ordinary life contract on a participating basis would cost for his initial gross premium between $1,400 and $1,600 annually.

At a time of financial and industrial stringency such as this he cannot commit himself to such a heavy expenditure, although he is reasonably sure that in a few years' time —"when things pick up a bit"—he will be able to afford this.

This is where an enterprising life insurance underwriter steps in.

He shows our friend that for something between $450 and $500 a year he can purchase an "option" on this $50,000 insurance, which can be exercised at any time, say, within the next five years.

Value Twofold

The nature of the option varies according to different companies. Fundamentally it provides insurance to the full face value of the contract (in this case $50,000) with the option that during most of the period the insured has the right to convert his "option" into a regular life policy without submitting to medical examination. Its virtues are, therefore, two in number. Firstly, that it provides the very maximum amount of insurance protection for a given amount of money and secondly that it removes the insured from the fear that if he waits until he can afford an ordinary life policy his plans may be thwarted by inability to pass a medical examination.

From an insurance point of view the hope of the individual company when it makes a term contract is that the policy will be converted into a regular plan at or before the expiry of the contract. Experience indicates that a large number of policies—if not the majority—are so converted into permanent reserve value policies.

Not All Increase Sales

Not all companies are sharing in this increased term business. Some companies still report total business written about on a par with previous years. Others who have seen a real opportunity to build future goodwill for their company and to place on their books insurers who, it is hoped, will be important and permanent customers in a few years' time, report a good increase in sales.

To the business or professional man who needs a lot of protection in a hurry but who feels he cannot afford to pay for it just yet, term insurance has interesting possibilities.

For illustrative purposes the following figures are appended to show roughly the cost at various ages, of a 5- and 15-year term policy and also an ordinary life policy on both a participating and a non-participating basis. The figures are those quoted by a leading Canadian company. The 5-year term policy is convertible during the first four years of the life of the policy without medical examination. The 15-year term policy can be converted without medical examination during the first 10 years only. In this particular case the 15-year term policy carries with it a small reserve value.

	Manufacturers Life		Ordinary Life	
Age	5-Year Term	15-Year Term	Without Profits	With Profits
25	$7.20	$7.45	$13.80	$17.35
30	7.40	8.05	15.85	19.95
35	7.95	9.25	18.70	23.40
40	9.40	11.70	22.60	28.05
45	11.90	15.85	27.80	34.15
50	16.20	20.55	34.90	42.30
55	23.25	....	44.50	53.15

SALES RESISTANCE BRINGS REDUCTION BURGLARY RATES

Tariff Companies Reduce Rates Throughout Ontario

Considerable reductions in the rates for private residence burglary insurance in Ontario have been announced by the Canadian Casualty Underwriters' Association and became effective on May 5. Changes range from 37.5 per cent to 18.5 per cent for the various types of policies and have been effected by transferring towns from high to lower rated territories.

Difficulty of selling burglarly insurance under the old rates due to competition from non-tariff companies and refusal of householders to carry any coverage whatever is the chief reason for the changes, according to insurance men interviewed by The Financial Post. It is felt that the new lower rates will enable agents to re-canvass prospects who refused to carry insurance under the old rates and regain business lost to cheaper policies in the past.

All Cities Affected

All Ontario cities and towns are affected by the changes, all the larger cities with the exception of Windsor and Border Cities being changed to territorial division No. 4. Windsor and Border Cities is the only section of Ontario not now in this rating district being reduced from No. 2 to No. 3 Kingston, London and Niagara Falls were formerly in division No. 3 and the remainder of Ontario cities were in No. 2.

As an example of the changes, ates under a blanket burglary, theft and larceny policy issued by one company were $8 per thousand for territory No. 2, $6.50 for territory ..o. 3 and $5 for territory No. 4. In this case, then, the rate in the majority of cities has been reduced from $8 per thousand to $5 per thousand.

Petroleum Production Down 6 Per Cent in 1932

Output of petroleum products from Canadian manufacturing plants was valued at $71,697,757, factory prices, in 1932 compared with $76,158, 644 in 1931, a decline of about 6 per cent. The peak production of the industry, reached in 1929, was $98,384,180.

There were 24 refineries in operation in Canada in 1932 having a total capacity of 135,850 barrels of crude per day as compared with 20 refineries with a capacity of 133,350 in 1931. More than 4,000 persons were employed in 1932, of whom 2,000 were in Ontario, total wages amounting to $5,897,811.

Production in 1932 included 207 million gallons of straight run gasoline, 192 million gallons produced by cracking process and 313 million gallons of fuel and gas oils.

Labor on Defensive Says Tom Moore

Veteran Leader Discusses Attitude of Organized Labor in Canada After Forty Months of Depression

By KENNETH R. WILSON

For forty long and weary months, Canada's labor forces have been battling the rigors of national and world depression.

TOM MOORE

There are nearly two and a half million wage earners in Canada apart from agriculture. To interview each one — or even each group individually — would be a big task. But it is important, as depression clouds begin to lift, to observe and estimate just what "labor" thinks about the business of working for a living after three and a half years of increasingly bitter punishment.

Few are so able to answer this question as Tom Moore, president of the Trades and Labor Congress of Canada.

In Office Fifteen Years

For fifteen years now he has been the genial, clear-headed czar of official labor bodies in Canada. His kingdom comprises roughly 65 unions embracing in normal times something like 200,000 members. In that time he has seen two major boom periods swallowed up in the black slough of depression. During the more turbulent days of the postwar slump he found himself fighting almost a lone battle as a representative of organized labor endeavoring to hold ground against ugly radical forces which would have swept the forces of law, order and government off their feet if they had had their way. Today with a considerably larger constituency he looks with justifiable pride at the manner in which labor—both organized and unorganized—has faced the bitter music of steadily declining employment and progressively thinner pay envelopes.

"Labor is still on the defensive," he told me, reviewing the ups and downs of the past four years. "Unfortunately there has been no encouragement by industry as a whole to develop a spirit of co-operation between employer and employee. Therefore, we are still on the defensive."

"What I mean to say is this. Labor has found that co-operation has definitely not been adopted as a principle by the rank and file of employers, in Canada. There are exceptions but the depression has served to bring sharply into relief the fact that the majority of employers seem still to practice true co-operative effort between themselves and their employees only when it is favorable for them to do so.

"Time and again during the depression there has been ample evidence that employers are still eager to take advantage of any weakness in a union or in the bargaining position of labor, to profit thereby. Personally, I doubt if there would be any need for the 'closed shop' for instance if employers adopted co-operation as a principle of doing business rather than as a temporary expedient to be used periodically when it is to their advantage. Put another way, I feel that employers still merely contact with their employees rather than establish "across-the-table" relations them."

Shorter Days

Tom Moore's ideas on shortening the working day or week are both illuminating and to the point. His approach to the problem is simply that labor should expect to share in the far-reaching benefits which have accrued in this country through the improvement of machinery and other technological advances.

What he means is this.

Old newsprint mills, built many years ago, require between one and a half and two men per ton of newsprint product. Compare this with the new Liverpool mill in Nova Scotia where less than one man is necessary for each ton of product—the actual fraction is seven-eighths of a man per ton.

"Here," says Mr. Moore, "is an obvious benefit which has come to the industry and to the country at large through technological improvement in newsprint machinery. The benefit is felt by the investor, the company itself and indirectly by the community at large. Personally though I feel that part of this benefit should accrue directly to labor by way of shorter hours. This is particularly true as the purchasing power of labor becomes more and more widespread. If we do not do this, it seems to me that the purchasing power of labor becomes limited to continually fewer workers. Labor, therefore, should share to some degree as these benefits materialize. The obvious way is by means of shorter hours.

"I feel also that governmental bodies can rightly be criticized for not having taken the lead toward shorter working hours. There is much educational work to be done along these lines and the whole matter is one which needs the most careful and thorough study. Had our governments taken the initiative as has been done in other countries, Canada would be very much farther ahead in this respect than she is today.

"At the Tri-partite Conference held at Geneva last year to discuss this problem and at which governments, employers and employees were represented, the delegation representing governmental bodies in Canada stood pat on the basis of a pre-determined policy with the result that Canada as a nation gave no encouragement to this movement which has had such far-reaching acceptance in other leading countries of the world. Incidentally, it was extremely interesting to me that the Taschereau Bill recently before the Quebec Legislature is the first bill to sponsor constructive educational effort along these lines. So far British Columbia is the only province in Canada to enact shorter working hour legislation."

But though President Moore is in agreement with Premier Taschereau in favoring shorter hours for industry he crosses swords with the brilliant provincial legislator regarding the B. N. A. Act. Apropos of unemployment insurance, Tom Moore told me that he considered it of utmost importance that there be an entire revision of the B. N. A. Act in Canada as soon as possible. He sees difficulties ahead not only in regard to unemployment insurance but also in respect of old-age pension legislation and the Industrial Disputes Act if this is not done. It will be remembered, of course, that both the I. D. A. and old-age pensions are considered matters for provincial jurisdiction but are being administered at the request of the provinces under federal supervision. In the case of old-age pensions, the actual mechanics of the scheme are left to the individual provinces, the majority of which (with the exception of Quebec) have now taken advantage of the grant for federal aid which is held out to any province instituting such a scheme.

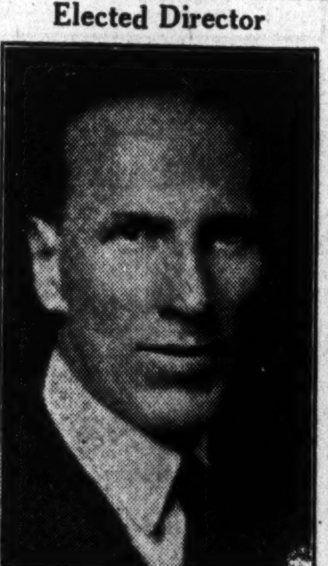
"I feel that unemployment insurance has a place in our present economic system and that a three-way system with governments, employers and employees contributing should and could be instituted," he said. "Industry, I feel, should bear the major portion of the cost and such a charge would tend to be a strong factor in stabilizing industrial conditions to the great benefit of employer and employee alike."

Coming nearer home, Tom Moore is obviously proud of the way in which the 65 union organizations under his aegis had held together during the depression.

"We have less membership, of course," he said "but with so many men out of jobs and with so many more who cannot afford to pay their dues, we expected this. I feel that our organization has held together remarkably well."

Latest figures on labor organizations in Canada, according to the Labor Gazette, official publication of the Department of Labor at Ottawa, show that at the end of 1932, returns were being received from a total of 1,764 labor organizations involving 155,000 members. Of this total, approximately 25 per cent were unemployed at the end of last year.

Elected Director



H. E. SELLERS

Who has been appointed to the board of directors of The Great-West Life Assurance Co. to succeed the late Sir Daniel H. McMillan, K.C.M.G. Mr. Sellers is president of the Federal Grain Co., Alberta Pacific Grain Co. and Malady, Sellers & Co. and is also connected with a number of other grain and elevator companies.

Quebec Leads Provinces in April Building Jobs

From Our Own Correspondent

MONTREAL.—Quebec led all provinces in building contracts awarded during April with a total of $3,365,600, according to MacLean Building Reports. Ontario was next with 2,045,100; total for all Canada in April was $8,608,700 compared with $3,191,600 in March.

Contemplated or proposed work showed an increase, the total for April being $23,331,700 compared with $9,141,100 in March. April figures were the highest monthly total to be recorded since February, 1932.

WATSON SEES MOVE TOWARD INFLATION AMONG BRITONS

London Trade Commissioner Comments on Britain's 3-Months Trade

There is a growing feeling in Great Britain that, following the successful balancing of the national budget, steps should now be taken to lighten the present crushing burden of taxation. Simultaneously, facilities for financial operations should be created which will provide funds and credits, without which any definite revival of active trade and restoration of enterprise have proved to be impossible, according to Harrison Watson, Canadian Trade Commissioner in London, writing in the current issue of the Commercial Intelligence Journal. The course of world events during the coming weeks promises to exert considerable influence upon the question and its solution, he writes.

The commercial and financial situation of Great Britain underwent very little change during the first quarter of 1933, according to Mr. Watson, the fact that conditions have not deteriorated in common with other large world countries being regarded as gratifying. Employment conditions were slightly better than in previous months, although mining and cotton experienced recessions.

Hope For Iron and Steel

In the all-important iron and steel industry, Mr. Watson sees signs of improvement following the high tariff against competitors and the very definite efforts being made to reorganize the industry, reorganization of the industry being a proviso to the higher tariffs imposed by the Government.

On broad lines, Mr. Watson writes, the course of events records little alteration, gains realized in particular lines being discounted by reduced activity in others and improved circumstances mainly in the south as opposed to the north, and concentrated largely on the newer industries.

Overseas Trade

Returns of the country's overseas trade for the first quarter of the year indicate a continuation of conditions and tendencies which have ruled since the adoption of the general tariff, the commissioner states. Imports have been reduced 17.6 per cent compared with the same period of a year ago while exports have only receded 2.8 per cent. Part of these reductions may be accounted for by declines in prices. Wholly or mainly manufactured goods account for a large part of the decline in imports, being 22 per cent lower than in the previous period, although other lines are also down.

DEMAND FOR LUMBER CHEERS MARITIMES

Little Trade Improvement as Yet—Other Sections Better

Weekly trade report of the Canadian Credit Men's Trust Association, for the week ending May 6 is as follows:

Halifax. — Wholesale and retail trade shows very little improvement as yet. Apple shipments for first quarter of the year show considerable reduction as compared with shipments for the same period last year. Lobster fishing has been hampered by continued bad weather, and dried fish markets so far are not encouraging. Slight improvement reported in demand for lumber, mainly for shipment to Great Britain. Sugar refineries after working at capacity for part of March have reduced operations. Coal mines show output for March as considerably lower than for same month last year. Collections fair to poor.

Saint John. — Wholesale trade in practically all lines continues quiet and below normal. Retail trade no more than fair. Collections slow.

Montreal.—Wholesale groceries in fair demand; boots and shoes show slight improvement; clothing moving somewhat better; dry goods fair to quiet; ladies' wear quiet; hardware fair only. Retail merchants, both city and country, report trade for the week as quiet. Collections: wholesale show slight improvement; retail still slow.

Toronto. — Optimism prevalent in general business circles. One dress manufacturer outside Toronto reports business shows 15 per cent improvement over the same period of 1932. Millinery manufacturers report quite fair turnover. Sporting goods reported as starting to move in fair shape. Automotive business showing more activity. Collections still slow.

Winnipeg. — Wholesale groceries satisfactory. Dry goods and ready-to-wear lines fair. Boots and shoes show slight improvement; hardware, paints and varnishes, and automotive business report a little more activity with the usual spring requirements. Retail trade generally reported no more than fair. Collections fair.

Regina.—Wholesalers report satisfactory volume continues in grocery lines; dry goods and ready-to-wear report very little change from past week; hardware, paints and oils report a slight improvement. Retail trade, both city and country, report volume as fairly satisfactory. Collections: fair on current accounts, slow on old outstandings.

Moose Jaw.—Business generally reported about the same as last week; wholesale boots and shoes fairly good; wholesale and retail hardware good; dry goods fair; collections fair.

Saskatoon. — Wholesale grocery sales remain very satisfactory; hardware very fair, with spasmodic activity, although orders for the most part small. Sales in paints and varnishes slghtly improved due to seasonal demands. Boots and shoes fair to good; dry goods fair. Oils and greases continue to show improvement. Retail trade report sales holding up fairly well. Collections remain about the same, no payments on old accounts, current accounts being paid fairly promptly.

Calgary. — Wholesale and retail grocers report fairly satisfactory volume. Retail hardware showing slight improvement over same period last year. Dry goods, wearing apparel and boots and shoes, still moving very slowly. Accounts, except for current obligations, difficult to realize on.

Edmonton.—Wholesale trade generally showing improvement. Country retail trade also showing some improvement owing to recent increase in prices of wheat and cattle. City retail trade fair. Current collections fair, old accounts unchanged.

Vancouver.—Wholesale and retail trade seems to be improving right along. Building and construction work is improved somewhat but still far below normal. Lumber and logging camps having their seasonal opening and prospects appear to be very bright in that line. Collections, very fair and slow.

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Chief Office for Canada
455 Craig Street West, MONTREAL

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THE GREAT WAR

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THE PNEUMONIC INFLUENZA EPIDEMIC,

which cost the Company an immense sum in claims, which were paid with customary M.L.C. promptness; and

THE WORLD-WIDE FINANCIAL CRISIS,

which has found no gap in the Company's defences.

Notwithstanding the difficulties of 1932, the 46th Annual Report is one of the best on record.

It shows an increase in premium income in both branches Ordinary and Industrial.

It shows reductions in expense rates in both branches Ordinary and Industrial.

It shows that 84 per cent of the assets are invested in public securities, Government and Municipal, 9 per cent in loans on the Company's policies and the remaining 7 per cent in other first-class securities.

It shows a strengthening on the basis of the actuarial valuation.

Reversionary bonuses have increased.

The M. L. C. is Impregnable

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R. S. WALDIE, *1st Vice-President*
J. A. NORTHWAY, *2nd Vice-President*
THOS. H. HALL, *Managing Director*
W. A. BARRINGTON, *Manager.* G. J. MALCOLM, *Secretary*

SECURITY FOR POLICYHOLDERS

Total Liabilities to public $898,630

TOTAL PROTECTION FOR PUBLIC

Total Assets of Company $2,370,190
Subscribed but uncalled capital 405,000

Total protection for public $2,775,190
or over THREE times the total liabilities.

Balance Sheet as at December 31, 1932

ASSETS

Investments at Book Value		$1,394,849.97
Fixed Assets:		
Land	$150,000.00	
Building and Equipment	658,772.25	
Furniture and Fixtures	66,079.23	
Maps and Plans	9,797.26	
Automobiles	12,202.89	
	$896,851.63	
Less Reserve for Depreciation	193,702.44	
		703,149.19
Cash in Banks and on Hand		59,031.61
Balances due by Agents	$150,360.80	
Less Reserve for Doubtful Accounts	3,000.00	
		147,360.80
Due from Associated and other Insurance Companies		2,909.10
Proportion of Loss Claims Outstanding (estimated) Recoverable		38,673.17
Sundry Debtors		5,431.67
Accrued Interest and Dividends on Investments, etc.		18,784.19
Total		$2,370,189.70

LIABILITIES

Outstanding Loss Claims (estimated) including Contingent Reserve, $86,300.00	$ 240,033.67
Taxes Accrued (estimated)	23,670.19
Sundry Creditors	10,542.90
Due to Associated and other Insurance Companies	50,167.82
Reserve for Unearned Premiums	549,216.07
Reserve for Investments	25,000.00
Capital Stock: Authorized — 10,000 shares of $100.00 each ..$1,000,000.00	
Issued — 5,400 shares of $100.00 each on which there has been called and paid	135,000.00
Surplus Account	1,336,559.15
Total	$2,370,189.70

Auditors' Report to Shareholders

We have examined the books and accounts of The General Accident Assurance Company of Canada, for the year ended December 31, 1932. The investments are shown at values which are not in excess of those authorized by the Superintendent of Insurance. We have to report that we have obtained all the information and explanations we have required and, subject to the foregoing, in our opinion the above Balance Sheet as at December 31, 1932, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Company.

PEAT, MARWICK, MITCHELL & CO.,
Chartered Accountants.

Toronto, Ont., March 23, 1933.

The management are pleased to present to their policyholders and public in general, the above statement of their year's operations ending December 31, 1932. Notwithstanding the adverse business conditions so prevalent in all lines of endeavor, this statement represents a most encouraging report and ensures the utmost confidence in the company.

Local Agents in all Cities and Towns

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Are Stocks Headed For Higher Levels?

Markets Rally as Hope Mounts for Economic Conference Success — Higher Commodity Prices — Inflation: Spectre or Angel?

For the fifth consecutive week Canadian and United States stock exchanges have given an impressive exhibition of strength. The Canadian barometer has been rising as evidenced by continuously advancing prices for industrial, utility and miscellaneous stocks. Nearly every type of stock has shown some response to the new hope animating the minds of investors, although activity may so far have been mainly the result of a rebound of men's minds when relieved from some of the weight of former pessimism.

The rise, however, has reached a point now where further activity will be worthy of careful study not alone to discover where lie the best investment opportunities but to see whether or not investment markets will be able to break away from the areas of extremely low levels where prices have run so long.

Dow-Jones Average Emerges

In the United States a critical point is reached by the Dow-Jones average of 30 industrial stocks, which had a high of 80 last September and then zig-zagged downward until a low of 50 was touched on March 4 when the New York Stock Exchange closed because of the federal banking holiday in the United States. It opened at 62 when the stock exchange resumed on March 15, it reacted to 55 on the last day of March but has been rising ever since, and now has approached the 80 mark again.

On July 8, 1932, this average fell to 40.56, the lowest since 1896, and compares with a high point of 381.17 on September 3, 1929. It is significant to any stock market analysis that the low in 1933 did not get to the last low in the middle of 1932, and it will be considered more significant if the average is not only carried above the level of 80 but will be maintained there. There may be a reaction later on to a point below this level but if the low is still higher than 50, confidence will be greater with the next move upward.

So much attention is here given to the Dow-Jones average because Canadian stock markets, in spite of the occasional flurries of independent action, cannot long ignore activities of the great New York Exchange. Just as Canada's industrial and business activity has in time past followed some four or six months after the United States with few exceptions, stock markets are a reflex to some degree of larger scale operations elsewhere. Interlisted stocks have a great deal to do with this but the immensity of transactions of all kinds between Canada and the United States has more effect.

Roosevelt Scatters Mist

The dynamic personality of President Roosevelt has had a major effect in dissipating part of the mist lying over stock exchanges. Here is a man who, by acting with the utmost air of confidence, is spreading that feeling. The depression does not appear to daunt him. He is actually doing something about it.

But what and how and when? Inflationists are pleased because inflation is promised; sound money defenders are quieted by the statement that it will be a "controlled" inflation; feeling of security is greater because only sound banks are allowed to be open and because of the talk of guaranteeing bank deposits (within reason); exporters are glad to see foreign currencies rising and importers are delighted at the first "warm" talk of an end to insensate tariff warring; unemployed workers and those who sell to them in good times are glad to hear talk of a five-day week and six-hour day to spread work and wages; contractors and builders welcome the possibility of work arising from great federal projects undertaken to provide employment; business men are encouraged to hope for lower taxation in spite of these big expenditures coming because they hope beer, wine and other liquors later will take part of the tax burden and because there have been huge cuts from pensions of veterans, who never fought and are ablebodied, and in federal expenditure generally.

Something for Everybody

Something apparently is being promised or being done for everybody. No wonder expectations are high! Can President Roosevelt continue to make good? Will the economic conference in June measure up to expectations? President Roosevelt said to Premier MacDonald. "We've got to succeed." That "got" has travelled around the world and is the basis of hope that June will be fruitful. International snarls will be ironed out, men hope, because it is either that or the abyss. They believe every statesman sees that or thinks that.

Meanwhile, some statesmen, business men, financiers and journalists in each country are taking it for granted that every major action taken by foreign countries in advance of the conference is meant to strengthen its position for the dickers that will take place there. The British and French thought United States went off the gold standard to strengthen its trading position and to render nugatory any later declines in tariff protection. They have betrayed irritation in referring to a recent decision to pay foreign holders of United States Government obligations in United States money but not in gold.

Some Sharp Suspicions

In the United States, British good faith has been questioned because a pact with the Argentine has just been completed. John Bull is accused of having stolen a march. In reality he has been working toward such a pact ever since he went off the gold standard in September, 1931, and Englishmen state it was especially promised and made necessary because the Argentine could not be made a party to the Ottawa pact. Newspapers have also argued that the doubling of the equalization fund by Great Britain was directed against Uncle Sam and intended to prevent the further rise of the British pound in United States dollars. It has not been so used to date and the British explain that they have no desire to operate in paper currencies such as the United States dollar has now become but only in gold to protect the gold price of sterling and to permit purchases of the actual metal to build up British gold resources. British purchases of gold in Canada are a straw showing which way the wind blows.

The Ottawa pact is also regarded as one obstacle to international political athletes meeting in June. It will be seen that all sorts of difficulties have developed and that many more may develop before the conference.

United States Takes Initiative

However, the great thing is that the United States has at last taken the initiative. The world's greatest creditor can call the tune if it will. If a formula, based on realities, for getting the trade of the world moving again, can be devised, and if unwieldy inter-governmental debts and extreme fluctuations of exchange are ironed out, the path will also be cleared for stock exchanges and investors. It will in any event be a long uphill road with plenty of disappointment in the international realm. If monetary difficulties cannot be cleared away partially or wholly, the newly-revived hope will fade again.

In the meantime there is real reason for some increase in prices besides hope. Commodity price rises are not due to inflation which does not exist as yet. The public is back in grain trading because the U. S. Government is out. The passing of the United States farm board is real news for farmers and grain men. Prices will now bear some relation to facts. The Dominion Government's operations may end sooner than expected under the new conditions.

Supplies Get Low

Supplies of all kinds of basic commodities are getting low. Potential over-production exists but companies cannot get financing for expanded operations. Steel and iron in the United States in stock is about half of what is ordinarily thought necessary to have ready for possible demands. Production is therefore increasing in most districts. Increases in value of the pound sterling, as measured in Canadian dollars, have increased buying in the Dominion. If this results in arbitrary rulings about pound valuations it will improve import trade as well.

Commodity price rises have strengthened inventories of many companies. Food companies especially benefit. Businesses have in many cases made permanent economies and reorganizations that will benefit them greatly in a time of revival.

Competition in Devaluation

The fear of inflation and the hope for inflation exist together. Brazilian Traction stock goes up because it is hoped international improvement will aid Brazilian exchange and therefore permit payment of cash dividends but inflation in Brazil or elsewhere would not help any utility with fixed rates for service. Competition in devaluation of currencies is not a bogey but a real danger which the June Economic Conference must try to provide safeguards against. Such currency competition would be bad for bonds and the recent rise in bond prices therefore shows considerable hope that inflation will not get out of hand.

Appointment of co-ordinators to assist various industries to iron out their own difficulties is one of the major experiments now being initiated in the United States. The oil industry is the one great industry whose co-ordination or control offers greatest difficult at present. Yet stocks of oil companies have risen too.

In Canada prices have not broken through the level of last September yet as shown by a chart on another page and by the table at the end of this article. Volume of sales has risen steadily on various exchanges, and especially stocks of principal companies. Even pulp and paper stocks with an index of 118 in 1929 and less than 1 since March 9, have come up over 1 again. Oil stocks are up to 1926 levels once again, which is about one-fourth of the high of 1929.

Even the recent improvement only brings stocks on a level with prices at the bottom of the 1921 depression. It is too soon, however, to judge that there is no direction for stock market prices to go but up. Purchases should be made with full understanding of the unsurmounted obstacles still ahead. This article is meant to indicate some of these.

INVESTOR'S INDEX NUMBERS■
(1926 = 100)

	Total Industrial	Iron and Steel	Pulp and Paper	Milling	Oils	Textiles	Food	Beverages	Total Utility	Grand Total
No. of cos.:	93	19	8	5	4	9	19	8	19	118
1926—	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
*1929—High	311.0	383.0	118.2	267.4	416.8	110.1	193.8	201.4	163.6	235.4
Low	194.0	196.1	73.1	191.9	248.3	74.5	131.8	89.1	124.8	165.8
*1930—High	222.1	231.3	73.4	192.5	296.6	77.2	144.8	95.7	142.3	178.6
Low	112.6	134.5	22.3	97.9	167.5	56.7	100.2	59.9	99.8	100.6
*1931—High	127.2	146.3	24.6	107.9	186.8	60.6	132.6	77.6	113.4	115.1
Low	68.1	71.5	9.0	47.8	98.0	40.2	89.9	40.6	53.8	58.8
*1932—High	72.0	75.8	9.0	61.2	110.6	40.2	90.8	48.5	59.3	62.9
Low	44.0	36.8	1.4	34.9	78.3	24.0	66.5	27.3	30.5	38.6
1932—										
March	71.5	79.2	10.1	65.5	106.8	38.3	87.8	40.3	59.8	62.9
April	58.2	62.5	9.2	68.7	87.7	32.6	83.2	36.1	48.9	51.7
May	51.4	44.9	8.6	68.1	90.1	29.1	76.5	26.3	36.9	44.6
June	48.8	40.5	8.4	62.6	84.8	28.3	73.0	20.2	34.9	42.2
July	56.6	51.1	7.9	38.3	97.0	28.9	81.2	35.6	41.8	48.7
August	69.9	63.5	8.8	47.4	110.0	38.5	89.7	44.1	51.9	58.5
September	73.8	69.1	4.4	53.0	118.0	42.3	90.8	44.1	56.9	62.8
October	68.1	55.9	3.5	49.8	97.4	38.0	86.5	40.7	49.1	53.7
November	62.5	51.3	3.1	48.3	95.9	38.7	85.9	43.3	46.6	52.6
December	58.4	45.5	2.5	43.3	90.8	37.6	83.0	37.1	45.1	50.5
1933—										
January	59.6	49.5	3.3	41.1	93.6	36.8	82.9	34.0	44.6	50.8
February	56.3	44.4	3.6	39.7	86.5	33.6	80.2	32.6	38.6	46.6
March	57.3	44.8	2.3	37.8	86.7	32.2	78.6	36.0	38.2	46.6
April	67.5	46.6	2.7	44.3	98.1	31.2	85.3	37.8	38.5	52.0
April 6	50.6	38.7	.8	36.3	78.4	24.9	71.2	34.8	31.3	41.2
April 13	52.1	38.8	.8	36.9	78.4	23.6	74.1	34.9	31.6	46.9
April 20	58.9	41.2	.8	37.4	88.4	23.8	76.4	35.9	33.6	46.9
April 27	64.9	45.2	.9	39.9	100.3	25.6	80.4	37.8	35.9	50.9
May 4	68.8	49.2	1.0	45.2	104.0	27.9	83.7	44.5	39.0	54.3

■The investor's index measures the trend of values for the investor who buys a fixed list of stocks and holds them over a long period.

*Weekly figures

Enquiries

Massey-Harris Prospects

I have been a subscriber to the Financial Post for quite a number of years, in fact, since long before the Great Depression came upon us in 1929.

At one time I reckoned myself moderately well off, but I have suffered some sad losses in the past three and a half years, no need to explain how, nor to go into details.

At present common stocks appear pretty low, despite the recent upturn brought about through the Roosevelt inflation policies in the United States.

It appears to me that there must be a number of sound common stocks, if one could only pick them, that would afford vehicles for a rise in fortune during the next few years.

What I wish to avoid is the common stocks of companies that may have to go through a reorganization, or scaling down, and I would not ask you to go on record as recommending any particular stock for a rise.

In this connection I would like to have your opinion, particularly as to Massey-Harris common: as to the soundness of the equity behind it, if any; just to what extent agricultural conditions must improve before this common stock might be expected to react; if there is any danger, even remotely, that an investor, (or speculator, if you will), in this stock might lose out through a continuation of the hard time for several years longer; or if there is a strong chance that, as farm conditions improve, Massey-Harris common will improve with them. What amount of net income does the Massey-Harris company have to earn to take care of prior charges before anything goes to the common stock?

I desire to get into something that has a strong chance of increasing in value with the increase in prosperity which I feel must come in the due course of events, but without attempting to set any definite date as to when it is likely to come about.

Massey - Harris' 729,409 no par value common shares have a long time to wait before agricultural purchasing power recovers to the point where it will give the company enough income to pay expenses, interest and dividends on senior stocks. Net earnings will have to be $6,000,000 annually more than at present before common looks in, and it is probable that for a few years thereafter surplus earnings would be used to reduce banking and other indebtedness. Judging by Massey-Harris' record after the 1921-22 depression, your best way of judging is to wait until annual statements show the company progressively lessening its losses toward the vanishing point.

Canadian Converters

Have you any information on operations of Canadian Converters Co.? I hold a few shares of the stock and would be obliged if you would tell me what current quotations are.

Textile manufacturers have been reporting lower earnings in recent years and dividends on the stock of Canadian Converters Co. have been reduced on several occasions. Our understanding is that little improvement was shown in the fiscal year which ends April 30, 1933, though dividends have been maintained to date. The company has no other securities outstanding other than its capital stock and in the past has made satisfactory progress. Current quotations on the shares are in the neighborhood of eight.

Fort Garry

The rural municipality of Fort Garry, Province of Manitoba. Issued local improvement debentures on August 21, 1921, and attached coupons for interest. On March 1, 1933, the municipality failed to provide the necessary funds to redeem the coupons due.

Would you kindly advise me of the present status and future prospects of the debentures for resuming interest payments or any particulars that may be information?

The rural municipality of Fort Garry is in default on all its bonds. A bondholders' committee has been formed, and the Municipal and Public Utilities Board of Manitoba is in charge of the municipality's affairs.

We understand that there is little likelihood of anything being paid on the bonds this year. Prospects for the future rest largely on general economic conditions. It is, therefore, not possible to state when payment of interest is likely to be resumed.

The municipality has not been in a strong financial position for some years. The market for the bonds is limited even in normal times, and at present is almost non-existent.

West McWatters Syndicate

I have been offered share units of the West McWatters Syndicate, Ltd., and I would be much obliged to you if you would give me your valued opinion on the future prospects of this prospect. Shares are offered by the Ontario Mining and Development Co., Ltd., Toronto, Ont.

The West McWatters Syndicate has a gold prospect in the Rouyn area of Quebec. At the present time little or no information is to be had regarding the potentialities of the property other than that it lies adjacent to the McWatters' find which attracted considerable attention last fall. The holdings of the company are in a favorable geological area and only money and time will prove their importance. It carries all the risks and potentialities of an undeveloped mining prospect.

Getting Money from England

I have a friend, a lady, who has just recently inherited about £3,000 which she has not yet transferred to Canada from England.

Do you think the exchange situation will improve in her favor or would you suggest that she wait?

What bonds would you suggest for here to invest in giving consideration first as to safety and also as to a fair interest return as she is of only very moderate means.

In June, in Europe, statesmen of the world will be doing their best to answer the question you ask us. We do not make forecasts of exchange investments.

Articles appearing in recent and current issues of The Financial Post are giving the very latest information and data as to the quickly changing situation. Many are interested in getting pound sterling and Canadian dollars closer together.

When the exchange situation improves sufficiently to meet the needs of your friend, she would find it best to seek the greatest safety by taking, first, bonds of the Dominion Government, second, bonds of the Eastern provinces, because of their greater wealth and diversity of industry, and third, bonds of such municipalities as Toronto and Montreal.

Royalty Gas & Oil

I should very much appreciate your opinion on the capital stock of Royalty Gas & Oil Corp. and as to the reliability of the guarantee trust certificate advertised. Which company is issuing this guarantee and is it sound?

In the advertisement of the Royalty Gas and Oil Corp., to which you refer, no information is given as to the trust company issuing the guarantee trust certificates which purport to insure you against loss of principal in buying the Company's stock.

Granting, however, that legal and other details may be correct and that a reputable trust company has been secured to do this business, we fail to see any attractiveness in such an offer as this.

It is a more or less meaningless mixture of an investment and speculation. If you, yourself, wanted to make a hazardous speculation and desired to recover the exact amount of principal in from 15 to 20 years you could accomplish it by dividing your available capital, placing a little more than half in the hazardous speculation and putting the remaining amount into a trust company for a period of 15 years or more, sufficiently long that by compound interest it would become equal to the total amount originally held.

A saving arrangement made with a trust company in that way would, in itself, be justified and be attractive. The speculation will have to be considered on its own feet and entirely apart from any proposal of "insurance." You can do the saving yourself if you want to without getting anybody else to do it for you.

It is not generally a good feature when any mining or oil company tries to get capital in this way. By putting so much into the guaranteed trust certificates they do not, as a rule, get sufficient money to finance their expansion or their operation and so do not prove a success. You will realize that out of the remaining 50 per cent commission and other expenses must be paid, so that the amount left for the purposes of the company is not impressive. If you put the whole amount into an investment or thrift certificate instead of letting this company invest half for you, you would have twice as much in 20 years if Royalty Gas did not prove successful.

Two Lists For a Widow

A widow will be investing in the near future some $8,000 to assure her a safe income. The following investments to show a return of approximately $500 a year are suggested:

Suggestion No. 1

$2,000	Vancouver & District 5/59 at 90..	$1,800	$100
2,000	Montreal L., H. & Pr., 3/39 at 41 ...	820	60
1,000	Sask. 4½/55 at 79	790	45
1,000	Alberta 5/43 at 86	860	50
1,000	C.P.R. 4½/44 at 63	630	45
		4,900	300
1,000	Man. 4/47 at 79½.	795	40
1,000	Calgary 5/43 at 80	800	50
10	sh. Commerce, 120	1,200	100
		7,695	490

Suggestion No. 2

$2,000	Vancouver & District 5/59 at 90 ..	1,800	100
1,000	Sask. 4½/55 at 79	790	45
100	Loblaw A at 11 ...	1,100	72
10	Commerce at 120 .	1,200	100
30	Lake Shore at 30.	900	90
50	Noranda, 21	1,050	55
$1,000	Mont. L., H. & Pr. 3/39 at 41	410	30
		$7,250	$492

We shall esteem it a favor if you will offer your comments on the two suggestions, and shall appreciate any recommendations that you care to offer under the circumstances.

On general considerations a widow desiring a safe income should not include mining stocks or industrial stocks in her portfolio, even when these are apparently well guarded by earnings.

Your first suggestion is, therefore, better for her than the second although until western provinces are able to balance their budgets and business conditions in the west show improvement it might be better in that first list to include some Dominion Government bonds and some bonds of large eastern cities or provinces such as Ontario and Quebec. The latter have also their administrative difficulties but the greater diversity and the larger totals of taxable wealth make them safer.

Shawinigan

Among my holdings are some Shawinigan Water and Power Co. bonds. It would be appreciated if you would let me have your opinion on the position of this company and whether or not interest payments are secure.

Shawinigan Water and Power Co. operations have been on a satisfactory basis, but changed business conditions are reflected in lower income, due to the fact that the company has had to sell a fair proportion of its electrical energy at lower rates. Another detrimental factor is that around one-quarter of the company's output is sold to newsprint manufacturers, who, as you know, are not in a particularly prosperous state at this time. In viewing the position of the company, one should not overlook the possibility of further restriction in newsprint operation which might result in the closing down of one or more mills supplied with power by Shawinigan. The company, of course, has long term contracts, but the value of these is somewhat doubtful in view of the weakened financial state of the newsprint operators. Over the last eighteen months the management has taken precautions to prepare itself against declining revenues and the possibility of carrying surplus power. To that end it has reduced the dividend on the common stock to 50 cents a share. We are informed that prospects of maintaining a dividend rate at this level are fairly good, but even in the event of a further reduction in dividends, we do not think the position of the company would be weakened to such a point that interest on the company's funded debt would be affected.

Consumers' Gas Co.

I want to buy a good investment common stock with a good record, present safety and good prospects. I have been thinking of Consumers' Gas, common. Will you give me your opinion?

Consumers' Gas Co. of Toronto, has $14,055,200 in $100 par value common stock outstanding, and has paid at the rate of 10 per cent on its stock since 1874. It pays these dividends, although it does not in every year earn the entire dividends paid. These dividends have not been earned, for example, in the last two years in their entirety.

The company's ability to continue paying dividends while earnings fluctuate within narrow ranges both above and below the 10 per cent level rests on the fact that the special incorporation act of the Ontario Legislature in 1848 gave it the power to change rates that would produce 10 per cent on the par value of its stock. By terms of the agreement with the city, which was thus embodied in the provincial act incorporating it, when earnings are more than sufficient to pay dividends, an equalization fund is contributed to and through it gas rates to consumers in the city of Toronto are lowered. When, as in the last two years, earnings are not sufficient to make up the 10 per cent the company has the right to raise the rates to an amount it considers sufficient.

The present position and prospects of the stock, therefore, rest on the following considerations:

1. The company's long record of dividend payments.
2. The exceptional, perpetual franchise whereby rates can be adjusted to the needs of the occasion.
3. The likelihood that the company will find it necessary to come again and again to investors to ask them to buy stock in order to finance further expansion in Toronto, and the necessity therefore, to keep up reputation of this stock as high-class investment.

The stock has a large investment following in Canada.

Greater Canada Security

There has come into our hands some shares of stock of Greater Canada Security Corporation, Ltd., the stock certificates of which bear the date of 1924 and have been issued at Toronto. There is a certificate for six shares preferred and one for six shares common. We should be very pleased if you could give us any information with respect to this corporation as we have been unable, so far, to procure any.

Greater Canada Security Corporation went into liquidation in 1926. N. L. Martin and the Trusts and Guarantee Company were appointed liquidators.

Our understanding is that all creditors of the company were paid in full and that there was only about $5,000 cash and a few mortgages left. There was a dividend of about $5 a share paid to holders of the preferred stock, and there is a possibility of a further small payment. There is no chance of common getting anything.

Oils Now or Later

Would you suggest an investment for a business man who keeps in touch with financial affairs through your valuable paper? I have about $2,000 and, while looking for safety, would consider industrials. Do you consider International Petroleum, Imperial Oil, B. A. Oil good for a buy now or would you suggest a more diversified list

The first two oil companies mentioned by you have an excellent financial position and all three have withstood the depression in a splendid way, but the critical conditions of overproduction of crude, excess refinery capacity and increasing competition have been accentuated by declining consumption in line with lessening purchasing power. They will all continue to put up a good fight even if hard times last longer than now is expected and probably come through in good shape but no one can predict the effect of future events on oil stock until one sees the international situation clear up.

When business gets better and consumption of gasoline and other crude oil products increases, the position will be improved in Canada for these companies.

If excess refinery capacity, as we now have it in Canada, bears on the price situation of oil products in Canada as it has already done in the United States, the position may not be so good as now. That may be counter-acted by growing consumption if business gets more active.

ATTRACTIVE YIELDS
FROM SOUND SECURITIES

Dominion of Canada	Price	Yield
5½% (a) Bonds—due 1 November 1933	100.40	4.70%
4% Bonds—due 15 October 1952	93.45	4.51%
4½% (a) Bonds—due 1 November 1958	99.00	4.60%

(a) 5½% interest, tax free, to 1 November 1933

Province of Ontario
Guaranteeing Ontario Hydro Electric Power Commission

3½% (b) Bonds—due 1 October 1952	91.50	4.92%

(b) 3½% October 1, 1932 to 1937, 4% to 1942, 5% to 1952

For further information, please telephone WAverley 3881 or telegraph us collect.

DOMINION SECURITIES
CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

PROVIDE
for your
future—
Build a
Savings
Account
CENTRAL
CANADA
LOAN AND SAVINGS
COMPANY
KING AND VICTORIA STS., TORONTO
23 SIMCOE ST. N., OSHAWA
ESTABLISHED 1884

PRUE
Manufacturers of
INDUSTRIAL
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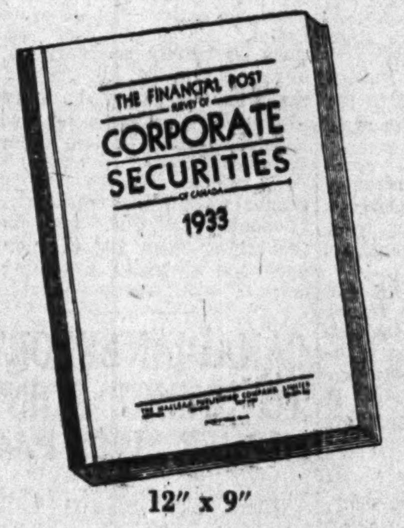

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Roosevelt and His "Brain Trust" Ignore Official Washington

Unconventional Group of Presidential Advisers Give Freely of Liberal Advice to New Deal President

By Staff Editor

WASHINGTON—To the man accustomed to finding his way around Washington there seems to be, at the present time, utter chaos and complete confusion in the set-up of the administration. Governmental departments, such as the Department of Commerce and the Treasury Department, that under the Hoover régime were the dominant influences in governmental policy, are being ignored by President Franklin D. Roosevelt. The centre of gravity of the administration has shifted to the State Department (or foreign office) which may or may not be a point of considerable significance. It suggests that President Roosevelt considers the depression to be a world depression rather than merely a business reaction domestic to the United States.

Two Key Departments

One purely internal department that has retained its position of authority is that presided over by Miss Florence Perkins, Secretary of Labor, and it is through Miss Perkins and her associates that the president will carry out his policies for the reconstitution of American industrial development on the lines of planned economy.

The Department of Agriculture under Secretary Henry Wallace will have plenty to do in applying the principles of planned economics to the agricultural areas of the United States.

Brain Trust Dominates

But more important in the administration than the cabinet, more important than the groups of departmental heads is the so-called Brain Trust, that amazing aggregation of liberal counsellors, who planned the president's election campaign and who are now his advisers in carrying out a programme of State Socialism unmatched in history in any country this side of Russia. Yet it is, paradoxically, State Socialism designed to save Capitalism.

There is a great deal of mystery in the United States as to this Brain Trust crowd. Various newspapers have published lists of the men comprising it and in nearly every case the list has been inaccurate. It is difficult to understand this since there has been no secrecy on the part of either the president or the Brain Trust themselves.

Included in the powerful Brain Trust are:

Raymond Moley, ex-Columbia professor, most powerful man around the president, now assistant secretary of state.

Rexford C. Tugwell, ex-Columbia professor, now chief executive assistant to the secretary of agriculture.

A. A. Berle, Jr., ex-Columbia professor now special assistant to the board of directors of the Reconstruction Finance Corporation on railway matters.

C. W. Taussig, molasses importer, student of tariffs, holding no official position but constantly with the president.

Mordecai Ezelsial, vice-president of the American Statistical Bureau, now economic adviser to the secretary of agriculture.

Committee of Ten

The president has many other advisers. For instance, the recent inflation programme was drawn up by a committee of ten comprising the president, Moley and Taussig of the Brain Trust, Hull and Woodin of the cabinet, and five others. The list was published in The Financial Post two weeks ago.

Then there are secretarial intimates such as the dwarfish Howe and the gum-chewing Early.

Moley is at Head

First and foremost among the president's advisers is Dr. Raymond Moley, a clear thinking, physically powerful individual whom the president appointed over the heads of scores of experienced government officials to be the third ranking man to the all-important State Department, who is said to be headed for the job of Secretary of State, but who has as much influence as if he were—probably more.

Moley was first in the intellectual group, who planned the president's campaign and who drafted his speeches and whose unconventional activities aroused some unknown genius in journalism to coin the phrase "Brain Trust" in a moment of derision.

For the past ten years Moley has been associate professor of government and professor of public law at Columbia, forward looking and monumental university home of Dr. Nicholas Murray Butler, the greatest American exponent of controlled individualism. It is to be noted that Moley is no economist but a student of political science.

Teaching Background

His father was French; his mother Irish. Precocity was a youthful trait; he was a college graduate at 19, teacher and school superintendent the next year and mayor of a small Ohio village at 21. He taught high school in Cleveland and, after taking an M.A., lectured in political science at Western Reserve, where he put The New Republic, organ of U.S. Liberalism and bible of most Reds, on the list of compulsory current reading.

Moley has been a teacher all his life. His first job was in a small school in Ohio. But he is not dogmatic or dictatorial. Rather he has a human, practical personality and a brain that works constantly in the serenity of a sunny atmosphere. He is a student of crime and punishment and served as director of the Cleveland Foundation, studying crime conditions in his home city, and as research director of the New York State and other Crime Commissions. It was this work that brought him close to the gubernatorial office at Albany and made him an intimate of Roosevelt. His first experience in presidential politics was as one of the counsellors of Al Smith in the 1928 campaign. He slipped easily and gracefully into the position of chief adviser to Roosevelt in the 1932 campaign.

Is Phrase-maker

It was he who resurrected Prof. William Graham Sumner's phrase "the forgotten man," who made it catch on as a campaign slogan. He created other stinging phrases, such as "industrial cannon fodder."

He has the liberal outlook that comes from intensive reading in political science and economics. He is probably the only man other than the president who really understands what The New Deal means. To him it is not Capitalism, or Socialism or Communism but a practice of government based upon the priniciple that the people's necessity is the true business of governments. He considers the president and the law makers trustees to make the public and private services of the nation work for the public good.

No revolutionist, he believes in ordered progress but does not consider that governments should refrain from speeding up the tempo of progress if they can. He would consent to a degree state intervention in a political or economic emergency that he would consider undesirable in normal times.

His Views Important

Significant at this time are his views on: public expenditures, which he thinks should be slashed; tariffs, which he thinks should be more reasonable and not ruinous as American tariffs have, in his opinion, been; war debts, which he is convinced will have to be greatly reduced; and public works, which should, in his opinion, be properly planned in advance and not proceeded with in accordance with the dictates of political exigencies or sectional pressures.

He is 46, takes no exercise and believes no man needs relaxation. He wonders why other people play bridge or golf or go horseback riding when there is so much work to be done and so much fun in work.

His is a seven day week but he gives up part of Sunday to go to church.

Usually With President

I had a chat with him here; got some of his views and made an appointment to meet him in his office to get some more. But he did not show up at his office for the next two days that I was there; he was at the White House constantly. He has a suite at the Carlton but a programmed ringing of his room made one wonder if he ever comes home to go to bed.

He will go to London as second in command of the American delegation to the World Economic Conference.

It is too early to say whether he will turn out to be the saviour of American individualism or merely the red power in the White House.

Tugwell in Agriculture

Members of the Brain Trust are gradually acquiring titles, titles that don't mean anything but that entitle them to offices, secretaries, official cars and other appurtenances of office that make their onerous duties a little lighter.

Hence Prof. Rexford C. Tugwell is chief executive assistant to the secretary of agriculture. He is 41 and has spent all his life teaching school. He was professor of economics at Columbia until recently and wrote all sorts of books on social and economic subjects, most of them with a liberal touch to them.

He is chief economist of the Brain Trust. He has been forced by pressure of work to slow down the production of a book on Planned Society, based on his observations in Soviet Russia. Tugwell is an associate editor of The New Republic.

Berle Writes Books

A. A. Berle, Jr., one of President Roosevelt's technical advisers, is a nationally known authority on corporation finance. A practicing lawyer, he has also been lecturer on finance at Harvard Business School and professor of law at Columbia University. He has served as special counsel in the revision of Ohio's corporation laws and the Wisconsin Securities Law, is the author of several books on corporation finance and is retained as special assistant to the board of the R.F.C. on railroad matters.

Recently, in association with another student of law and balance sheets, he wrote "The Modern Corporation and Private Property" a book on the implications of the giant corporations of today. This volume, portraying the dangerous as well as the salutary aspects of gargantuan corporation finance, has remarkably influenced the president's opinion on a number of matters.

Molasses Importer

C. W. Taussig is another unconventional figure in American politics. He has no government job but when the Sunday papers run large photographs of those taking part in White House conferences his figure will be seen in the background of each. He is head of American Molasses Co., is an expert on sugar and a student of tariffs. He is 36. An American publication calls him "smooth, polished, clever." I spent an hour with him and found him clever but neither smooth nor polished. Vest unbuttoned, eyes tired, seeking momentary relaxation from a series of night and day conferences, he spoke frankly, assertively of the programme of the president. He assured me that every word in every speech of the president meant exactly what it said. He never spoke of "the administration," or "the government" or "the White House" but always of "we." Confidence and clearness in objectives were marked in him.

He knew Roosevelt at Albany; helped Moley write tariff speeches for the president and naturally gravitated to Washington with the new president.

At 10 o'clock one night he said to me "I do not want to be rude but I shall have to end our talk. I am wanted now at the White House. We have to plan to-morrow's work."

He invited me back. But he could not be located again.

He is only a distant relative of famous Harvard professor F. W. Taussig, tariff authority. Their views are much the same on tariffs.

Of Ezekial the public knows little. His record is academic; his views theoretical. You will not find much about him in newspaper morgues. Like other members of the Brain Trust he has suddenly bobbed up from a comparative nowhere.

Create and Kill Ideas

This group have devised most of the sensational recovery plans announced by the president; farm relief bill, inflation programme; muscle Shoals plan; the war debts formula, etc. As academicians they are facile as preparing formulae—some of them workable—for getting around laws, red tape, traditions and prejudices.

Yet one of them said to me." Devising ideas is not our only job; knocking ideas on the head takes just as much of our time." They are in effect a sieve in which thousands of panaceas and remedies are sifted before going to the president. Not that Roosevelt needs many ideas. He keeps the Brain Trust nearly crazy springing new ideas on them. His mind, like the minds of the Brain Trust group, is a high-speed grist mill of plans and programmes.

Will They Last?

Will the Brain Trust last? Some of them will; one or two will probably not be able to stand the brilliant light of publicity and the fawning of favor-seeking visitors. Already some rather untimely and inept bragging has been done by more than one of them and has annoyed the president.

"A bunch of overenthusiatic schoolboys" official Washington calls them. But official Washington's view is not unprejudiced. There are departmental chiefs who have been left out in the cold; not even invited to the White House to give information or advice. There are experienced advisers whose views, based on a lifetime of experience, are being completely ignored. Right and left, heads are being lopped off as part of the economy programme and in the political shift that always follows a change of administration. Those on whose shoulders these heads rest (and rest uneasily just now) are not likely to take their new status without some resentment. There are whisperings of discontent and much propaganda, most of it aimed at the Brain Trust.

Parallel With Russia

But this the Brain Trust does not mind. They know Roosevelt; they understand how his mind works. The others do not.

The obvious parallel is perhaps not a just one. In Russia, Stalin and other Soviet dictators hold no positions under the government. Stalin, supreme power among them, is merely secretary of the Communist party; not premier, or chancellor or even a minister. Comrade Moley has a job and so have some of the others. Comrade Taussig has not.

There are other interesting groups around the president; the "Committee of Ten" and others. Concerning them and their influence and activities I shall have more to say in further articles.

CANADIAN EXPORTS TO EMPIRE POINTS HIGHER SINCE PACT

Totals to Certain Countries Considerably Lower, However

In the four months since December 1, when the agreements reached at the Imperial Conference came into complete effect, exports to British Empire countries have amounted to $65,865,081 compared with $60,949,433 in the same period of 1931 and 1932, an increase of eight per cent.

Trade with the United Kingdom proper has shown the largest increase, exports to South Africa, India and Hong Kong showing large decreases. Comparative exports for the two periods are shown in the following table:

Exports to British Empire Countries
(Four Months Ended March 31)

	1933	1932	Increase or Decrease
	$	$	$
U. King.	54,387,913	47,469,670	+6,818,243
Irish F. S.	568,749	1,017,056	— 448,307
Aden	2,382	2,878	— 496
Palestine	9,448	9,482	— 34
Br. E. Africa	99,224	112,296	— 13,072
Br. S. A.	1,099,692	1,926,832	— 927,140
Gambia	4,177	415	+ 3,762
Gold Coast	41,010	134,540	— 93,530
Nigeria	19,272	14,922	+ 4,350
Sierra Leone	13,202	1,257	+ 11,945
Other W. Af.	144	360	— 216
Br. India	503,977	921,189	— 417,212
Ceylon	12,907	17,117	— 4,210
Str. Settlmts.	135,295	65,937	+ 69,358
Br. Soudan	198	662	— 464
Gibraltar	2,178	2,054	+ 124
Hong Kong	293,985	730,791	— 436,806
Malta	38,351	45,196	— 6,745
Bermuda	469,972	865,795	— 395,823
Br. Guiana	342,758	229,570	+ 113,188
Br. Honduras	213,684	373,382	— 159,698
Barbados	249,586	289,214	— 39,628
Jamaica	820,476	712,865	+ 107,611
Trinidad	604,305	509,315	+ 94,990
Other B.W.I.	853,905	875,341	— 21,436
Nfld.	1,401,241	1,397,035	+ 4,206
Australia	2,443,429	2,223,803	+ 219,626
Fiji	41,583	32,831	+ 8,752
N. Zealand	1,189,724	961,963	+ 227,761
Other Oceania	9,448	9,482	— 34
	65,865,081	60,949,433	—4,915,648

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CANADA MALTING LOSES PRESIDENT; POLICY CONSTANT

Three Generations of Matthews Family Contributed to Upbuilding of Company

Wilmot L. Matthews, of Toronto, who died suddenly on May 3 in Hamilton, Bermuda, leaves a gap on the board of twelve important Canadian companies.

Though his chief interest was in Canada Malting Co., of which he was president, and in the grain business of W. D. Matthews & Co., he was also vice-president and director of Consolidated Mining and Smelting Co., and a director on the boards of such important companies as Dominion Bank, Confederation Life, Canadian General Electric, Toronto General Trust Corp., Canadian Surety Co., George A. Fuller Co. of Canada, Canada Starch Co., Dominion and Anglo-Investment Corp. and the Canadian Northwest Bond Co. He was also on the advisory board of the National City Company.

The Matthews family for three generations have been prominently connected with the grain and malting business. The grain business of W. D. Matthews & Co. was started by the grandfather of the late president of Canada Malting Co., Wheeler D. Matthews and it was continued by his son, W. D. Matthews, Jr., and his grandson, Wilmot L. Matthews. It was really through the grain business that the enterprising grandfather and father got into the malting business. More than half a century ago. they started malting houses at Le Roy and Batavia, New York State, and used to send Ontario barley to these plants for malting. The shutting out of Ontario barley by the high McKinley tariff caused a withdrawal from the United States business and eventually led to the malting business in Ontario being given concentrated attention.

W. D. Matthews, Jr., and L. H. Clarke entered into the malting business in partnership in 1887 and continued therein until in 1905 it seemed to these men and some other maltsters in the province that it would be best for all concerned if prominent competing firms were to unite and erect modern plants to serve all Canada. Thus there came together under the name of The Canada Malting Co., the malting firms of L. H. Clarke Malting Co., of Toronto, Willson, Steel Malting Co. of Dundas, Ontario, and the Martin N. Todd Malting Co. of Galt and Port Hope.

With Company From Outset

At the time of the merger Wilmot Love Matthews was secretary of the new company and continued in that capacity until his father's death in 1919 when L. H. Clarke became president and Mr. Matthews vice-president of the company. Since Mr. Clarke's death in 1923 Mr. Matthews has been president. During his régime the business of the company has expanded and for the first time in 1927 the public was invited to take an important part in the financing of the company.

There was an issue of 100,000 shares on September 12, 1927, at $25 a share by Mara & McCarthy. This stock later sold as high as 43 in 1928 and 35 in 1929 but dropped during the depression to a low of 8½ in 1932. Judged by results, however, the company's shareholders have been well treated: the dividend has continued; earnings in 1930-31 and in 1931-32 were better than in 1929-30; and the company has maintained because of sound judgment in management and directorate a strong working capital position though expanding its storage capacity wherever advantageous economies could be secured.

Clarence A. Bogart, president of Dominion Bank, states that, like his father before him, Wilmot L. Matthews was of lasting service to the bank because he brought to its councils keen insight, shrewd, careful judgment and the wide knowledge that comes from experience. These qualities have been demonstrated continuously for three generations in the affairs of W. D. Matthews & Co., and the Canada Malting Co. by the Matthews family and their partners. As in most well-ordered businesses, however, policies in management and control have been so shaped that the companies will carry on strongly. Arnold C. Matthews, brother of Wilmot L. Matthews, has been in charge of management for the last five years.

When the Canada Malting Co. was formed in 1905 to take over the predecessor firms the new company had a total malting capacity of about half a million per annum. In the succeeding years strong faith in Canadian development led to the erection of four modern malting plants at Calgary, Winnipeg, Montreal and Toronto so that now there is a total malting capacity of six million bushels as well as storage capacity of 3,200,000 bushels. The Toronto plant with a malting capacity of 1,000,000 bushels was completed in April, 1929, and a storage capacity of 750,000 bushels was added in February, 1931. A 600,000 bushel addition was made to the Montreal elevator in October, 1931.

One of the old officers of the company, James L. Love, secretary-treasurer died in March, 1933, and his duties have since then been carried on by J. P. Heighton, assistant secretary. Remaining members of the board of directors are H. C. Hatch, vice-president; Arnold C. Matthews, managing director; W. H. Mara, Eric S. Clarke, L. M. McCarthy, W. G. Long, K.C., Charles H. S. Michie and E. Ward Wright, K.C., all of Toronto.

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SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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Schoolboy Chums Cross Swords To Shape Canada's Fiscal Policy

Amherst, Nova Scotia is Birthplace of Financial Experts of Liberal and Conservative Parties

By RICHARD CHURCHILL

Two men occupy the national spotlight these days.

The first is Hon. E. N. Rhodes. He is not only the author of the latest federal budget; he is one of our foremost public men, not only a possible but a probable successor of Rt. Hon. R. B. Bennett in the leadership of the Conservative party.

Ralston's Horoscope

The second is Hon. J. L. Ralston. He is a former federal cabinet minister, one of the best legal minds of the country. More important, he is the financial critic of the Liberal opposition and as such is Mr. Rhodes' chief opponent.

No horoscope of Ralston's future career would be accurate which failed to enumerate as distinct probabilities: 1. That he will be the next Liberal Minister of Finance, and 2. That he would probably succeed Rt. Hon. W. L. M. King in the Liberal leadership if there should be a change in that high office in the next few years.

Both men are well known throughout the length and breadth of Canada. Today they face each other across the gangway of the House of Commons, the one proposing and the other opposing the financial policies of the Dominion.

Nothing remarkable in this—you say? But wait a minute.

Boyhood Pals

Forty-five years ago, two small boys—one seven and the other eleven—played vigorously about the streets and vacant lots of Amherst, N.S. One was Ned Rhodes and the other Jim Ralston.

Then, as now, they played against each other; then as now they were rival leaders; then as now they were warm friends—pals.

Rhodes and Ralston, the opposing leaders in the sphere of national finance, were born in the small town of Amherst. There is no precedent for such an event in Canadian political history; it may be doubted if any town of similar size in the world, in modern times, has thrown up two outstanding public men in the one generation.

Amherst, in fact, stands alone in having two favorite sons. She sent them both into the world with a pat on the head and her blessing—and they have both made good. True, she has always loved Ned just a little better than Jim, but as the Truro Weekly News has recently pointed out, she is mighty fond and proud of both.

Same Church—Same School

Rhodes and Ralston not only were born in the same town, played together as little boys. They went to the same school and their families belonged to the same church.

The Rhodes family was well-to-do. His father was interested in a woodworking factory which eventually became a car works. The Rhodes' were among Amherst's best families. The Ralstons too, were highly respectable, honorable citizens, although not as prominent or as wealthy.

After graduating from the Amherst school, Rhodes went on to Acadia and Dalhousie Universities, graduating in law. Ralston, likewise, chose law as his profession, but graduated from Dalhousie more as a result of his own effort. Rhodes never really practised law to any extent; Ralston did.

Amherst is in the federal riding of Cumberland, and came a day, back in 1908, when Hance Logan, then Liberal member and now senator, decided not to stand for reelection. It was a day when Jim Ralston had achieved his ambition to have most of the cases on the local court docket standing in his name.

A delegation of Liberals rushed into the court house, demanding that he allow his name to stand for the Liberal nomination.

"Who are the Conservatives nominating?" he asked.

"Ned Rhodes," was the answer.

Rivals From First

And so the two favorite sons, the one 27 years of age, the other 31, stood as rival candidates on their first entry into public life. Amherst would have liked to have elected both, but having to make a choice the old weakness for Ned Rhodes prevailed and he was sent to Ottawa with a comfortable majority of 490 votes. Three years later, however, Amherst balanced the scales by sending Ralston to the local legislature.

But the 1908 election in Cumberland was unique. The two boys, friends from their earliest years, were the rival candidates. They talked the campaign over and they decided to run an election without the expenditure of a dollar in campaigning. Party literature was distributed, but the election did not cost either candidate any money worth mentioning.

Enlisted For War

With the war, the two friends enlisted. They campaigned Nova Scotia together for recruits. By this time Rhodes was one of the bright young men of the Conservative party, a youngster with a future. He was not allowed to go oversea—to his unbounded chagrin, but stayed at home to become Speaker of the Union Government parliament, one of the best speakers the House of Commons has ever known. Ralston went oversea, served with great distinction. It may be said, in fact, that Ralston was recommended for the V.C., although the award did not finally go through. His act of valor was not recognized for the simple reason that he did something that he was not supposed to do. He placed his own life in deadly peril to save the life of one of his men. Officers are supposed to place a higher value on their lives, and higher commands do not encourage this type of valor by awarding V.C.'s for it. But since Ralston was thinking of his man and not for decorations, there were never any complaints.

After the war, Ralston gravitated to the Federal house. Rhodes became premier of Nova Scotia.

Then in 1930, they both entered the House of Commons. Today they are constantly at war—politically, but constantly friends—privately.

CANADIAN FOREIGN INVESTMENT CORP. INCOME UP IN 1932

Holding Company for Brazil Cement Producer Has Surplus

From Our Own Correspondent

MONTREAL—Canadian Foreign Investment Corp., controlling the Brazilian Portland Cement Co., reports a larger revenue for 1932 than was the case in 1931. During the year the subsidiary operated at capacity for the first six months, but the Brazilian revolution interfered with operations in the last half of the year. Operations, however, were satisfactory and production amounted to 897,137 barrels, as compared with 983,031 barrels in 1931.

The Brazilian company after providing for depreciation and other reserve accounts, earned the full amount of interest on its debentures, paid dividends amounting to 10 per cent on its capital stock and carried forward a surplus.

Preferred Dividends Deferred

Revenue received from the Brazilian company by Canadian Foreign Investment increased from $366,420 to $372,472 due to the larger amount of interest credited to the company on current advances. Due to inability to obtain remittance of funds from Brazil no preferred dividends were paid by the holding company. Particulars of the income account follow:

	1932 $	1931 $
Total Revenue	372,472	366,421
Less:		
Expenses	17,593	38,963
Brazilian Tax	42,924	*
Federal Tax	482	*
Exchange	7,748	6,479
Debent. Interest	56,514	57,993
Net Profit	247,211	262,986
Less: Pfd. Dvds.	....	174,750
Balance	247,211	88,236
Brought Forward	392,170†	305,434
Carried Forward	639,381	393,670

* Included in Expenses.
† Adjusted.

Funded Debt Lower

The only change of importance in Canadian Foreign Investment's balance sheet is the improvement in working capital position, largely due to the deferment of preferred dividends — two quarterly payments of which have paid in 1933 on account of 1932 arrears.

The company's interest in the Brazilian Portland Cement Co. increased during the year from $3,465,962 to $3,586,188.

MTL. EXHIBITION REGISTERS LOSS FOR PAST YEAR

Owners of Stadium and Baseball Club Have Off Season

From Our Own Correspondent

MONTREAL.—Montreal Exhibition Co., owners and operators of the Montreal Stadium and the Montreal Baseball Club, experienced a total deficit on operations of $38,835 for the year ended October 31, 1932 This figure does not include provision for depreciation of buildings, etc. Comparative figures for preceding years are not available.

Total revenue from all sources in 1932 was $208,519. After taking care of baseball, administration and general expense, there was a deficit of $8,549 before mortgage interest, bad debt reserve, etc. Particulars of the income account for the year ended October 31, 1932, follow:

Revenue	$208,519
Less:	
Baseball Expenses	129,873
General Expenses	65,449
Administration	21,747
Deficit	8,549
Less:	
Interest on Mortgage	24,767
Bad Debt Reserve	5,578
Total Deficit	38,835

Current Position Weak

The balance sheet at the end of October last showed total assets of $1,800,760. Bank overdraft and bank loans totalled $50,679, while notes payable to directors amounted to $5,750. Othere current liabilities aggregated about $50,000. Taxes owing to the city of Montreal totalled $102,210.

The company's outstanding funded debt totalled $380,000. Payments of $10,000 due on October, 1931 and $20,000 due October 1, 1932. are in arrears on account of the sinking fund.

Among assets current accounts total $13,791. The club franchise is valued at $224,000 and players purchased at $66,350. Property account stands at $1,481,044.

Prepaid and deferred charges total $12,810. Deficit after providing for depreciation from the inception of the company to the end of the 1932 fiscal year totalled $2,763.

Halifax Port Busy

During April and until June 30 a total of 147 ocean steamers, on regular routes, will arrive at the Port of Halifax, according to official advices. This does not include tramp sailings.

Footnotes to Ottawa

An occasional department of comment on the background of governmental activities in the nation's capital

By Our Ottawa Correspondent.

Fiat Money Plan Is Now Shelved

OTTAWA—For a time last week it looked as if Premier Bennett had absorbed some radical currency ideas during his recent visit to Washington and that the Dominion might actually undertake a five million dollar office building at the Capital to be paid for with new currency. As with the Roosevelt plan, the new currency would have been called in at the rate of four per cent per annum.

The proposal received a limited circulation in the daily press and was taken rather seriously at Ottawa; the source was a cabinet minister.

Quite obviously the policy could never have been restricted to one building at Ottawa. If the government had decided to launch a public works programme to be paid for in this way, it would have run to many millions and would have included buildings in all of the larger cities as well as improvements at many of the ports.

The proposal came to a head at the Conservative caucus on Thursday when Mr. Bennett took the position that the government's "sound" money policy should not be compromised or imperilled in any way. The upshot was that the fiat money for public works policy has been postponed until 1934, and may never be heard of again.

* * *

Rate Fixing Body For Grain Shipping

WITH the encouragement of the government, a new rate control body is evolving. Last summer a rapid rise in lake rates on grain began. It continued through the autumn until, in November, the Board of Grain Commissioners suddenly entered the picture and fixed a maximum rate of six cents per bushel, exercising for the first time special powers conferred upon the board by statute in 1924. Everybody had believed this statute to be a dead letter. It had been enacted toward the close of one of Mackenzie King's characteristic crusades against "big interests." The "big interests" in this particular case were the Atlantic Conference of the various steamship companies, and the suspected monopoly of Canadian ships in the lake grain trade.

Since the crusade was a signal failure, the measure vesting rate control in the Grain Commission was commonly classed as a face-saving device and no one ever expected to hear of it again.

* * *

IT NOW seems that the statute was by no means impotent. The Grain Commission acted upon it last November and the maximum rates then fixed were successfully imposed upon carriers, an epoch-making event. The Commission has now proceeded to enlarge its functions as a water rate control board and has just decreed a change in the all water rate to Montreal.

For some curious reason, not disclosed, there was a discrimination of one half cent per bushel against Montreal. Whereas the water rate from the head of the lakes to Sorel and Quebec was six cents, the rate to Montreal was 6½ cents. The Grain Commission now rules that the rate to Montreal shall be six cents.

These forays into a new field arouse interest and some misgivings at Ottawa. The commission exists to regulate the grain trade, to hold the scales even as between the farmers, the handling companies and the exporters. It exists to administer the grading regulations, to ensure fair and just inspection of the crop and to guarantee that Canada's wheat leaves this country without having been tampered with. But all the interests whose rights—if the word may be used—are vested in the Grain Commission are in conflict with the lake carriers. And there are grave doubts here if the commission is a proper body to exercise control over lake carriers. It is feared that the commission, naturally, will tend to look at shipping problems from the viewpoint of the grain trade and it is suggested that, if control is desirable, a new body be created. Or the Railway Commission would be more acceptable all round.

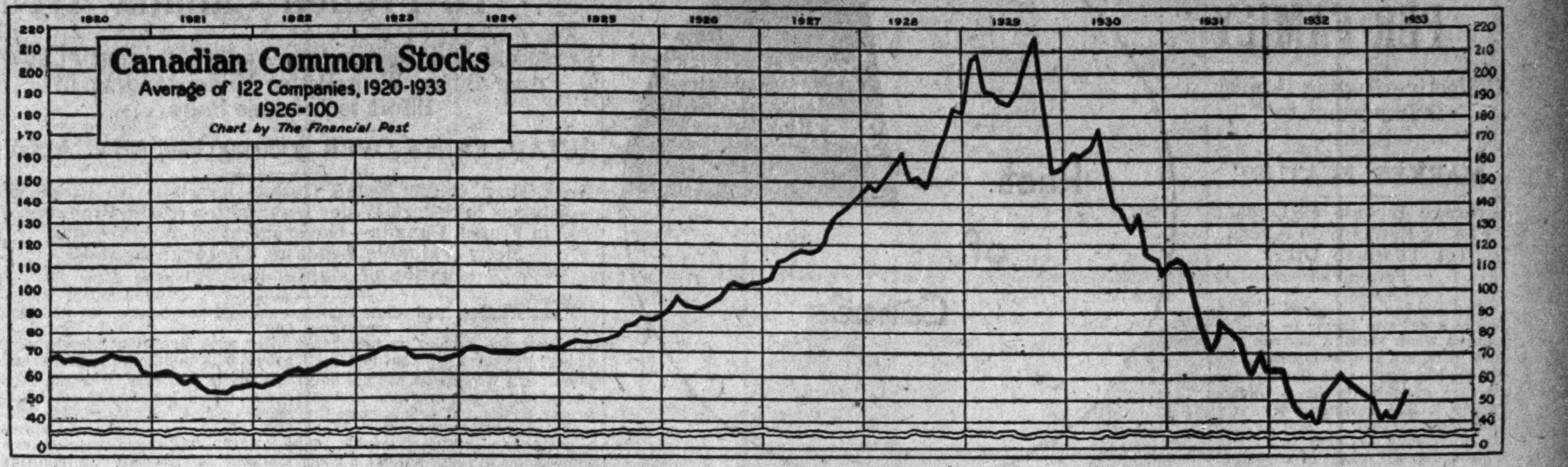
* * *

Power Export May Not be Allowed

WHEN the Taschereau government put legislation through the Quebec house authorizing export of power to the United States to an amount not exceeding 250,000 horsepower per annum, it was commonly presumed that Ottawa was prepared to issue whatever permits the provincial authorities might approve. This presumption, however, failed to take account of the past position of the Federal Conservative party and of the implacable hostility of many members of the present gov-

(Continued on page 15)

Canadian Stocks Rise Until Index Approaches High of Last September



While the Dow-Jones average of actual prices of 30 leading industrial stocks traded on the New York Stock Exchange has almost broken through the September high, Canadian stocks are still about six points lower as shown in this chart.

The Financial Post index chart, however, covers all companies. If it had been limited to 93 industrial stocks, the recovery would be shown to have gone a little farther but the industrial index is still five points below September's high.

Public utility stocks are far below the September high as public utility companies do not expect to profit from higher commodity prices as do many industrials.

September's high simply erased the losses of the summer of 1932 and put it back almost to the spring high of 1932. The hope now is that the next reaction will not be so sharp and that business upturn may enable stocks to get permanently above old 1932 levels. Some of the factors affecting the present market are discussed on page 9.

RECORDS BROKEN AS SEAL SEASON NEARS COMPLETION

Newfoundland Fleet Reports Plenty of Seals and Good Catches

Despite gloomy predictions made in past years that extinction of the North Atlantic seals was imminent, Newfoundland's 1933 seal catch, per vessel engaged, is the highest in many years with all vessels reporting having met immense numbers of seals. One vessel of the comparatively small fleet engaged this year actually created an all-time record by returning to port with a total of 58,000 carcasses, while a different vessel reported the heaviest cargo ever brought to port.

Full returns from this year's operations are not yet available but the catch has been estimated at 173,000 seals with only one vessel still engaged. Value of this year's catch will be in the neighborhood of $200,000, considerably better than the totals recorded in 1931 and 1930 although less than half the 1929 record when 18 vessels were engaged compared with 6 this year.

Latest reports of catches of the fleet are shown below:

Newfoundland's 1933 Seal Catch

Steamers:	Catch
S.S. Eagle	25,680
S.S. Imogene	56,000
S.S. Ungava	48,000
S.S. Ranger	16,000
S.S. Terra Nova	14,000
S.S. Beothic	13,700
	173,380

Value of Catch

S. S. Imogene unloaded a total weight of 1,248 tons, with the net value of the cargo being $60,723 while the S. S. Ungava unloaded a total of $1,255 tons for a net value of $55,696, the 215 men of the former each receiving $93.48. while the 231 men of the latter each received $80.36. These amounts per man are considerably greater than any received in recent years.

Newfoundland Notes

Newfoundland Whaling Co., after being inoperative last year, has announced that it will equip a fleet this year. The company's steamers will be overhauled as soon as ice conditions permit. About 200 men are usually engaged in the whaling.

Terra Nova Milling Co. is the name of a company to be formed to establish a flour mill in Bay of Islands. Duty-free importation of machinery and equipment and duty-free wheat for 10 years is asked in a private bill now before the legislature.

Building Permits, as reported to the St. John's city council at the weekly meeting held on April 30 were the best in twelve months, the mayor stated. Imperial Oil Co. and Continental Distilleries were two of the companies whose permit applications were approved.

Caution is Urged in Buying Newsprint Needs for 1933

Paper Committee of American Publishers' Association Says Present Price Cannot be Relied Upon — Producers Take Business Below Official Rate

From Our Own Correspondent

MONTREAL.—Caution in making final commitments for the supply of newsprint during 1933 is urged on members of the American Newsprint Publishers' Association by W. G. Chandler, chairman of the Association's Paper Committee.

In his full report to the members Mr. Chandler makes several direct and highly interesting comments upon the present relationships between producers, more particularly Canadian, and the American publisher.

After referring to a bulletin issued in July, 1932, wherein was reported the intention of some publishers to purchase from United States mills and from sources independent of contemplated mergers until the leadership and policies of the large Canadian companies were known, Mr. Chandler's committee reports that with the lessened volume of advertising and lessened consumption of newsprint "we are sharing with the mills a condition of confusion and distress."

Special Prices Rule

In commenting upon the newsprint situation, the A. N. P. A. committee refers to the reduction made in the fall of last year and goes on to say that during February of this year many purchasers had received oral assurance from their sources of supply that their contract price for newsprint would be materially less for the twelve months of 1933 than the $45 prevailing price at that time.

Members of the A. N. P. A. have reported to the Paper Committee of a $38 per ton delivered price from various mills to publications located in metropolitan cities.

Meet Price Discount

Mention is made of the recent rebate of $5 a ton made by International Paper Co. and followed by St. Lawrence Corp. Other manufacturers have given like assurances, namely, meeting current price conditions, of their price policy to their customers, without public announcement.

Wood Piles Will Determine

The committee has the following to say in respect to the current price situation:

"The credit, or discredit, for these reductions in newsprint price cannot be given to any one manufacturer. At least two other manufacturers (note; reference has been made to the current discount made by International and St. Lawrence) usually designated as making the market, have given their customers oral or written assurance of prices below $45 during the early months of this year. Your committee has sedulously avoided any attempt to establish a price for newsprint paper . . . Prices recently announced do not necessarily represent a firm and stable market for 1933. With most major producers in receivership or bankruptcy, newsprint paper will be offered at spot prices, and, possibly, on contract for 1934 without regard to profit or the cost of manufacture. The determining factor will be the liquidation of wood piles into American dollars."

Prices Are Not Normal

It warned its members of not counting too much on present prices as being normal. They should not be regarded as a normal basis for estimating operating costs or establishing advertising rates. In this connection the Paper Committee says:

"Publishers may give consideration to the possibility that contracts for newsprint with companies in financial difficulties may be impossible of fulfillment when wood piles are exhausted and cash for cutting new wood is not available. Your paper committee wishes to emphasize its belief that current prices, or lower prices which may be quoted, should not be taken as a normal basis for estimating operating costs or establishing advertising rates. Continuation of current newsprint prices for any considerable period of time must inevitably result in the closing of many mill operations and ultimately restoring a balance between mill capacity and consumption.

"In the present chaotic market, price parity between publishers in the same community does not exist."

Demand Still Declines

Examination of the statistical returns on newsprint shows that for all of last year some 434 newspapers reported a total consumption of 2,254,878 tons of newsprint. This was 362,798 tons less than in the previous year.

For the first quarter of 1933 these same newspapers purchased 496,120 tons, as compared with 608,751 for the corresponding period of 1932, a decrease of 18.5 per cent.

The bank holiday in the States contributed in no small measure for this unsatisfactory showing. Even disregarding that influence, however, the normal trend of newsprint consumption in the United States this year has been on a downward scale.

The same condition applies to Canada, only on a smaller scale.

Advertising Loss Greater

It is interesting to note that the

(Continued on page 15)

Newsprint Situation in Condensed Form

Production

	1932	1931	Decrease		Jan., Feb., Mar., 1933	Jan., Feb., Mar., 1932
	Tons	Tons	Tons	%	Tons	Tons
Canada	1,907,566	2,221,454	313,888	14.1	402,405	488,711
United States	1,006,569	1,157,436	150,867	13.0	218,587	281,810
United States and Canada	2,914,135	3,378,890	464,755	13.8	620,992	770,521
Newfoundland	271,804	294,983	23,179	7.9	61,062	65,994
Mexico	12,683	15,195	2,512	16.5	4,018	3,213
North America	3,198,622	3,689,068	490,446	13.3	686,072	839,728

Overseas Imports to United States

1932	1931	Decrease		Jan., Feb., 1933	Jan., Feb., 1932
Tons	Tons	Tons	%	Tons	Tons
143,671	151,064	7,393	4.9	21,934	29,202

Consumption in United States

(Based on reports received from 434 newspapers)

1932	1931	Decrease		Jan., Feb., Mar., 1933	Jan., Feb., Mar., 1932
Tons	Tons	Tons	%	Tons	Tons
2,254,878	2,617,676	362,798	13.9	496,120	608,751

Exports

	1932	1931	Decrease (Except as noted)		Jan., Feb., 1933	Jan., Feb., 1932
	Tons	Tons	Tons	%	Tons	Tons
United States	8,465	9,651	1,186	12.3	770	1,225
Canada to Overseas	261,469	254,823	6,646*	2.6*	34,493	46,370

*Increase.

Advertising in United States

(Comparative basis, 110 newspapers in 30 major cities)

1932	1931	Loss		Jan., Feb., Mar., 1933	Jan., Feb., Mar., 1932
Agate Lines	Agate Lines	Agate Lines	%	Agate Lines	Agate Lines
907,674,727	1,126,829,235	219,154,508	19.4	176,730,906	240,208,359

NOTE: Based on Report of the American Newspaper Publishers' Association.

CANNERS PROFITS COVER INTEREST, PREF. DIVIDENDS

Inventory Write-off of $1,200,000 Deducted From Contingency

Canadian Canners, Ltd., in its annual statement for the year ended Feb. 28, 1933, showed the following changes in earnings and financial position as a result of its various activities:

1. Net earnings after taxes increased from $511,656 in 1931-32 to $729,017 in 1932-33;
2. Bond interest and exchange after depreciation were earned 2.35 times as compared with 1.48 times in the preceding year;
3. Six per cent first preferred dividends were earned with $30,359, or 8 cents a share to spare for 363,732 second convertible preferred stock, whereas in the preceding year there had been nothing available for either stock;

Inventories Revalued

4. Inventory valuations, now well within market values, dropped from $7,197,862 to $5,784,074, including write-down of $1,200,000, which shareholders authorized directors a year ago to take from investment and contingency reserve of $1,796,053, now shown at $670,037;
5. Working capital is lower, ratio of current assets to current liabilities is lower but both are adequate and bank loans are down from $2,116,187 to $1,856,123;
6. During the year Canadian Canners reduced total bonded indebtedness by nearly $100,000 to $3,345,200 and first preference stock outstanding from $4,557,150 to $3,884,850, profits on the latter purchase being applied on reduction of balance sheet valuations of investments.

Domestic Sales Off

Dividends paid in the year were at the rate of 6 per cent on first preferred, 68 cents a share on the 2nd preference and 20 cents a share on common until April, 1932, when dividends were reduced to 40 cents a

(Continued on page 15)

Foreign Exchange

CURRENCY quotations for the week ended May 8 do not reflect all the underlying influences in the exchange markets. Francs, for instance, have been relatively stable in New York, but considerable pressure has been exerted on Paris exchange.

Sterling has been allowed to advance sharply, particularly in the United States and Canada. The exchange equalization fund of Great Britain has apparently found the strength in sterling too much to cope with, at least temporarily. The exchange fund, therefore, has not attempted to check the general trend.

* * *

PREVIOUS accumulations of dollars and francs by Great Britain have served to increase the gold holdings of the Bank of England to the highest level on record. Rather than place greater pressure on francs by withdrawing all its balances, Great Britain has made a large loan to the Bank of France. Despite this assistance to the franc, some close observers of the situation believe France may be forced off the gold standard at an early date.

Intimation by Mr. Bennett in the House at Ottawa that Canada does not intend to revalue gold before the world conference may aid Canadian dollars. The cabinet is not to be given Rooseveltian powers at present It may serve to set inflation rumors at rest. If the leading nations decide to revalue gold in the autumn, and Canada follows suit, it would be less likely to affect the Canadian dollar adversely than if we prepared to take the step alone.

The week's quotations are as follows:

FOREIGN EXCHANGE
New York Funds

	High	Low	Last Year High	Last Year Low
	(Premium)		(Premium)	
	%	%	%	%
May 2	14 1-4	13 7-16	12	11 11-16
May 3	14 5-16	13 5-8	12 -8	11 7-8
May 4	14 1-4	14	12	11 5-8
May 5	13 11-16	13 1-4	11 5-8	11 9-16
May 6	13 3-4	12 3-8	12	11 7-16
May 8	14 1-4	13 5-16	12 1-8	12

STERLING, FRANCS AND LIRE
Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.526
May 2	3.88 3-8	0.457 15-16	0.602 3-4
May 3	3.90 7-8	0.460 15-16	0.608 3-4
May 4	4.90 7-8	0.460 15-16	0.608 3-4
May 5	3.98 3-8	0.470 7-8	0.621 3-4
May 6	4.01 7-8	0.471	0.629 3-4
May 8	3.97 3-8	0.462 7-16	0.618 3-4

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
May 2	4.43 3-4	0.0526 3-4	0.0692
May 3	4.43 3-4	0.0523	0.0694 3-4
May 4	4.46 1-4	0.0526 1-4	0.0696 1-4
May 5	4.52 1-4	0.0534 1-4	0.0708 1-4
May 6	4.52	0.0525 1-4	0.0706 3-4
May 8	4.51 1-2	0.0523	0.0702 3-4

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
May 2	0.3115 1-2	0.1888 1-2	0.2767
May 3	0.3186	0.1867 1-2	0.2770
May 4	0.3181	0.1873	0.2762
May 5	0.3209 1-2	0.1897	0.2784
May 6	0.3181	0.1840 1-2	0.2784
May 8	0.3176	0.1867 1-2	0.2800

FAMOUS PLAYERS NET PROFIT $21,985 DIVIDENDS $378,970

Paramount Connection Proves Expensive; Controllables Cut

Famous Players showed a net profit of $21,985 in 1932 as compared with $823,106 in 1931 after providing for depreciation, interest, exchange and transferring $100,000 to contingency reserve. This is in striking contrast to the showing made by its parent company, Paramount Publix, now operating under a receivership and in voluntary bankruptcy in the United States, but nevertheless Famous Players paid for that connection by being obliged to pay $378,790 in common dividends although only $21,985 was earned. The common stock is mainly held by Paramount by reason of the fact that Canadian shareholders exchanged for Paramount shares in 1930 to their present chagrin.

Consolidated Income and Surplus Account
Years Ended:

	Dec. 31 1932 $	Dec. 26 1931 $
Net earn. from oper.	1,543,703	2,478,721
Profit on secs.	44,127	....
	1,587,830	2,478,721
Less:		
Interest	629,071	561,292
Depreciation	786,983	969,323
U. S. exchange	49,791	....
Contingencies	100,000	....
Inc. tax reserve	....	125,000
Net profit	21,985	823,106
Less: Com. divds.	378,790	757,555
Surplus for year	*356,805	65,551
Add: Prev. surp.	3,613,535	3,217,681
Net prof. 4 mos. to Dec. 27, 1930	....	519,660
Surplus of sub.	97,796	....
Less: Div. 4 mos. to Dec. 27/30	......	189,357
Bal. carried forward.	3,354,526	3,613,535

*Debit.

The company endeavored during the year to offset falling revenue by drastically cutting controllable expenses but admission prices had also to be dropped in order to meet the reduced spending power of patrons. Taxes increased during the year. This industry apparently is singled out by governments and municipalities for especially heavy taxation. For instance, this company, which had a net profit of $22,000, paid $1,600,000 in all kinds of taxes other than Dominion income tax.

Working Capital

	1932 $	1931 $
Current assets	1,389,342	1,660,028
Current liabilities	544,311	899,396
Working capital	845,031	760,632
Ratio	2.55—1	1.85—1

Film Rental Advances

The drop in current assets is mainly because of the disappearance of the item, "advances on film rentals, $372,685," the drop in advances to affiliated companies from $193,103 to $85,115 and in accounts receivable from $133,357 to $109,344. Cash advanced from $403,373 to $569,835 and government and municipal bonds from $557,510 to $625,048 (slightly under market value)

Current liabilities all were down: no reserve for Dominion income tax is shown whereas last year it was $125,000; reserve for United States exchange is shown at $17,152 instead of $37,171 a year earlier; accrued interest on bonds and mortgages is down from $267,703 to $218,664; purchase money obligations dropped from $281,180 to $238,182 and accounts payable from $188,342 to $70,314.

Obligations Ahead

This does not represent the entire picture. Purchase money obligations maturing after 12 months, and amounting to $946,000, are not included. Of these $693,000 mature in June but a note on the balance sheet states there is an agreement to renew the amounts. A note to the balance sheet also states that there are contingent liabilities of $625,127 but their nature is not stated.

Heaviest responsibility of the company is in its large funded indebtedness of $10,396,524, including purchase money obligations of $946,000 and $1,250,024 on theatre properties. Bonds exceeding $8,000,000 were reduced by $87,000 in the year and mortgages by $244,000 to $1,250,024.

Par value of capital stocks of subsidiary companies not held by the parent company, and share surpluses applicable thereto, increased from $890,449 to $936,211.

Fixed assets show a decline of $600,000 to $5,334,029 for land and $6,627,125 for buildings, leases and equipment. Goodwill, and franchises are still shown at $7,403,283.

Coast Newsprint Mills Hold to Basic $45 Price

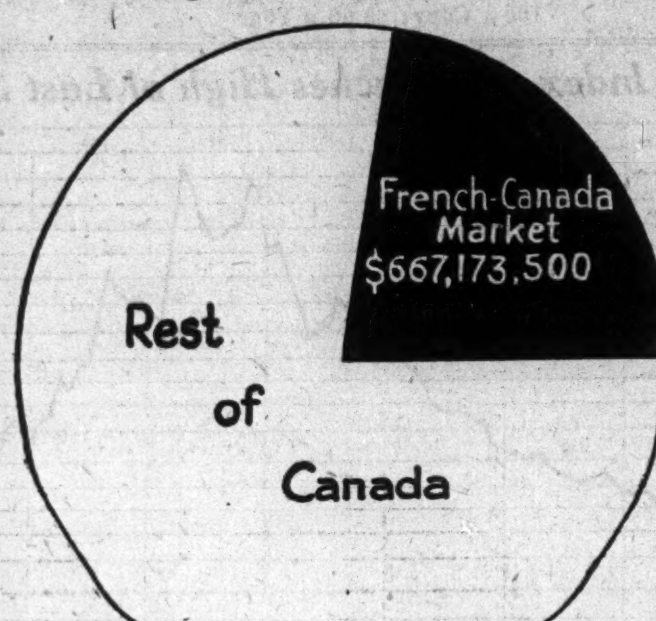
From Our Own Correspondent

VANCOUVER. — Until the newsprint situation in the east becomes more settled there will be no new price concessions on the Pacific coast, according to executives of British Columbia mills, one of whom said: "The situation in the east is so confused that we are marking time until we get definite news. Our basic price on the coast remains $45 a ton."

Coast mills are now operating at about 65 to 70 per cent capacity and average twenty to twenty-one days a month operation. Powell River production has increased slightly since last fall.

FRENCH CANADA HOLDS OUT RICH, CONCENTRATED MARKET

A Big Slice of the Market Cake



The French-Canada market in Quebec absorbed almost one quarter of Canada's retail volume, according to a survey of 1930 sales by the Dominion Bureau of Statistics. It is one of the largest slices in Canada's retail sales cake.

BUYING POWER VERY LARGE PER FAMILY

Collective Buying Ability is Important to Seller

MARKET FEATURE

Average Income of Quebec Family Ranks Well Ahead of Those in Other Provinces

The number of children in Quebec is a definite factor to be considered when viewing various factors in regard to that market. Latest figures show that the average number of children in a Quebec family is 3.58 compared with the Dominion average of 2.99 and on the difference between those two figures depends a host of important matters.

Keeping this in mind an entirely new light is shed on the business of breaking up statistics pertinent to the Quebec market for it is these children which make statistical figures deceive when the Province of Quebec is considered.

On a Family Basis

Statistics relative to Quebec should be calculated on a per family basis rather than on a per capita basis. On the latter basis consideration is only taken of the number of individuals be they old or young. Obviously with a higher percentage of children in Quebec statistics are immediately thrown out of gear in making comparisons.

To elaborate: take per capita wealth. In Ontario it is $3,063, while in Quebec it is only $2,759. Remember, however, that these figures are taken on a count of heads, otherwise the deduction might be made that the French-Canadians are poor prospects in a sales campaign. Now take the figures on a per family basis and the true picture will appear. As the average number of persons per family in Ontario is 4.30 whereas it is 5.34 in Quebec, the average wealth per family in Quebec is $14,733 whereas it is only $13,170 in Ontario.

Must Consider Children

Again when the official figures for the total retail sales in Quebec are divided by the total population to arrive at an average per capita purchasing power, children again upset prearranged calculations. The population of children in Quebec is so much greater than in other provinces that a per capita figure does not do justice to the average adult purchasing power in Quebec.

Another instance which indicates how this army of children sets statistics to rout may be seen in income tax figures for rural Quebec. These are so small that the popular belief is that Quebec farmers are poverty stricken. But those who know rural Quebec see the picture in its proper perspective. C. E. A. Holmes, student of the province, points out that these low tax returns are not surprising with twelve or fifteen tax exemptions sitting around the table in so many Quebec rural homes.

Big Families the Rule

The last census showed of the 2,311 families in the Dominion having 12 or more children in the family, no less than 1,440 of those families resided in Quebec. The number of Quebec families having more than 5 and less than 12 children number nearly 115,000. Purveyors of children's supplies, such as suits, caps, boots and other wear should bear these figures in mind.

Family life in Quebec therefore must be considered in surveying the French-Canadian market. These large families tend to keep family ties strongly knitted which in turn finds reflection in various characteristics inherent in French-Canadians. The same force which strengthens family ties also works in communities and permeates the whole province giving rise to the strong individualistic tendencies evident among the inhabitants of the province.

Thus, like their ancestors and their present day cousins in France the French-Canadians treasure privacy above anything else. They would rather have a shack by themselves than share more luxury with someone else.

After privacy what they crave most is leisure. They have a real appreciation of comfort and the manufacturer who can demonstrate some article which will secure for the prospect more leisure and more comfort will immediately gain interest. These twin brothers comfort and leisure, two individuals which the modern world tends to forget, are still well known to the French-Canadian.

Of the total population of 2,874,255 in Quebec, 1,813,606 is urban and 1,060,649 is rural. One factor in the family situation as regards urban population is the additional number of wage earners which may well be included under one roof. Cases are seen where the head of a family will have but a small family but nevertheless the household lives exceedingly well. This of course is due to the fact that possibly five or six of a family of ten are working in offices and earning fair salaries, each putting up his or her quota for the family income.

In such a case the purchasing power of the family is vastly increased and is an instance where the family, as opposed to the individual, must be considered in surveying the Quebec market.

The whole situation resolves itself into the fact that the French-Canadians have kept nearly all the characteristics brought along by their forefathers from seventeenth century France. Groups like individuals develop habits which evolve into new characteristics. And as the individual's behavior is largely determined by his habits, so it is with groups.

The Telephone speaks FRENCH

The telephone is bilingual. French is as much its native tongue as English. It serves all French-Canada.

In the Province of Quebec alone, there are 245,061 Bell telephones. There are also 35,131 connecting telephones: a total of 280,192, predominantly French.

These telephones are a potent factor in the life of this great community. They are part and parcel of its daily routine. They serve it in emergency; they facilitate business and social communication throughout the vast area they serve.

To reach the Quebec market, effectively and economically, use the telephone. We shall be glad to help you in preparing your sales plans.

THE BELL TELEPHONE COMPANY OF CANADA

TELEPHONY RANKS MAJOR INDUSTRY IN QUEBEC'S LIST

Telephone Operations Provide Employment to Many Quebec People

Although in the mere arithmetic of telephone development Quebec has not yet reached the status of her sister province of Ontario, yet telephony ranks as one of its major industries. Telephone engineering, manufacture, installation, operation, maintenance and management provide employment for a vast army of Quebec men and women. Similarly, this branch of modern communication is responsible for one of Quebec's large pay-rolls.

It is not generally realized by the telephone-using public that in addition to the Bell Telephone Company, there are upward of 800 other and smaller telephone systems operating throughout the province of Quebec and Ontario. At the beginning of this year, the total number was 848. Of these, 275 were situated in Quebec.

Bell's System Largest

Of Quebec's more than 283,300 telephones in service at the close of 1932, 245,061 were instruments of the Bell Company operated directly through 94 exchanges of the Bell System. Of the remaining 38,278 telephones, 35,131 were on lines of Bell-connecting companies, thus provided with long distance service through Bell telephone talking channels, while 3,147 were instruments of non-connecting telephone systems serving for the most part rural communities in isolated sections of the province.

Based on an estimated population of 2,921,500 in Quebec during 1932, the total of 283,339 telephones in the province represented 9.6 per 100 of the population. The previous year, in 1931, the comparable figure per 100 population was 10.5 based on an estimated populace of 2,906,800 served at that time by 308,120 telephones. While, for a second time in the Bell Company's history, a decrease was shown in Quebec's telephones last year, the comparative decreases were: Bell telephones, 21,247; Bell-connecting, 2,611 and non-connecting 239. The total decrease for all Canada last year was 100,472 telephones or 7.2 per cent, as compared with 1931. Telephones per 100 population throughout the Dominion dropped to 12.09 per cent in 1932. The year before, the percentage stood at 13.18.

Telephones Keep Pace

Telephone progress has kept pace with the increasing development of Quebec's tourist-attracting Laurentian areas in recent years. More than that, the Bell Telephone Company has anticipated the communication needs of residents and visitors throughout that territory for years to come by completing an important long distance line that extends from Montreal northward as far as Laballe.

Cultivation of Canadian Market Draws Attention To French Canada Area

Producers and Distributors Approach French-Canadian Buyer With Better Understanding in Effort to Increase Sales

RETAIL SALES OVER $700,000,000 ANNUALLY

More Than 43,000 Retail Outlets Available to Producer Anxious to Secure Wider Distribution of His Products in French Canada—Government Survey Provides Many Valuable Leads to Thorough Examination of Market Possibilities

Manufacturers and distributors have been constantly confronted with new and perplexing merchandising problems in the last two years. The depression has not only limited earning power and in turn buying power, but it has been the cause of shifting markets. What in one year was a good market for automobiles has now become a good market for other products and vice versa. It is no longer possible to block off areas in the Dominion and determine with any degree of accuracy the sales possibility for any particular product.

The necessity of individual studies of the different marketing areas in Canada has become more and more pronounced. For that reason manufacturers, distributors, merchants and all those interested in the marketing of goods have come to appreciate the point that without careful examination of the potentialities of the market much effort is likely to be wasted and sales restricted.

Cannot Overlook Market

In the past the English distributor has been inclined to lightly regard the French Canada market. This has been due not to any lack of appreciation of the market's buying power—a population of nearly 3,000,000 people cannot be overlooked—but largely because of the difficulties experienced by many manufacturers in "breaking" into the French Canada market.

Under present day conditions the manufacturer or distributor cannot afford to overlook the Quebec market with its predominant French-speaking population. Difficulties may be in the way but the necessity of securing additional business through the enlargement of sales areas makes it imperative that a determined attempt be made to secure a foothold in French Canada.

Pay More Attention

For that reason an increasing number of distributors and manufacturers are paying more attention to the vast and, in many cases, partially developed French-Canadian market. In other sections of this issue space has been devoted to pointing out some of the problems confronting the distributor or manufacturer in establishing his product on the French Canada market.

Largest Concentrated Market

A preliminary examination brings home to the merchandiser the extent of this market. To one predominantly interested in the English-speaking Canadian market it comes as a surprise to discover that not far short of one third of the Dominion's population is of French origin or French-speaking. It may also come as a surprise to discover that the Quebec market alone is worth nearly $700,000,000 annually. If one considers the number of other French-speaking buyers in other parts of the country and also takes into consideration the manufacture and distribution of various necessities within Quebec, it is safe to assume that the French-speaking population of Canada offers a market for over $1,000,000,000 of merchandise annually.

Unfortunately it is not possible to give concise details of all the items going to make up this impressive figure. It is possible, however, to provide detailed statistics on the Quebec market, thus enabling the manufacturer or distributor to gain a comprehensive idea of the extent of the French Canada market.

Sales Total $725,000,000

During 1930 the Dominion Bureau of Statistics made a survey of the Quebec merchandise market. The Bureau, in its detailed report, shows that the value of retail merchandise sales in 1930 reached a total of $667,000,000. In addition receipts of service establishments were over $59,000,000 and the grand total spent on goods and services in that year was in excess of $725,000,000.

To anyone scanning the French-Canadian market these figures are of tremendous import. For the first time the Government has made available figures which show the trend of merchandising in the province and an examination of these records brings to light many interesting facts for those interested in sales activities in Quebec.

Information for 43,858 establishments had been consolidated in the summary figures (many of which are referred to elsewhere in this issue) which reveal the fact that nearly 100,000 persons were employed in retail trade and that their salaries and wages for the year amounted to close on to $95,000,000.

The most important merchandise group, both in number of stores and amount of business, was the food group which had 14,508 establishments doing a business of $188,269,200. The sales of grocery stores were $102,407,600 and those of meat markets $40,983,000. In addition to the sales given in the food group, the bakeries and dairies which reported had retail sales of $15,239,689.

The general merchandise group was second in amount of business with sales of $147,100,800. Department and general stores with sales of more than $100,000 did a business of $68,344,700 and general stores with groceries sold goods to the value of $49,787,600.

Motor Sales $43,446,000

Sales of $71,108,200 were reported for the automotive group, in which 340 automobile dealers reported $43,446,100 sales, 705 filling stations $8,622,900, and 1,146 garages (which also sell gasoline and oil) did a business of $16,724,200.

In the apparel and clothing group, there were 3,037 stores which did a business of $57,807,200.

Women's ready-to-wear stores reported $9,646,800 and men's clothing and furnishing stores $8,207,700.

Shoe stores had total sales of $10,517,700.

Large Lumber Sales

The lumber and building materials group came next in volume of business with total sales of $31,287,500.

The 494 hardware stores reported sales of $14,806,500 and 167 dealers in lumber and building materials $12,024,400.

In the furniture and household group 539 establishments reported sales of $18,939,800.

There were 1,125 units in the restaurant group with a total business of $19,768,200.

Drug Sales $15,146,000

The sales for 6,143 other retail stores were $132,892,600. The 628 coal and wood dealers reported sales of $20,479,600 and 670 drug stores did a business of $15,146,400

The sales for tobacco stands and stores were $7,833,800 and those for jewellery stores $8,391,000.

In the service field the 10,780 establishments which were reported had total receipts of $59,477,300.

The amusements group was most important with 509 establishments doing a business of $11,868,300.

Pay for Amusements

One hundred and fifty-seven movie houses, movie houses with vaudeville, or vaudeville only, had combined receipts of $8,612,000, while 252 billiard parlors and bowling alleys showed a business of $1,428,600.

Chain Stores Active

A survey of the Quebec merchandising field also shows that chain stores do a considerable part of the business on certain lines. Of the 33,078 retail stores in Quebec 28,558 were single store independents and 1,560 single stores in cooperative buying organizations. There were 826 two-store multiples, 257 three-store multiples and 420 units of local chains and branch systems. The sectional and national chains had 1,457 units.

The returns show that for grocery stores (without meat) sectional and national chains did but a small percentage of the total business, while for grocery stores with meats and meat markets with groceries the 396 units sectional and national chain had sales of $18,046,700 out of a total of $59,761,800. Chain stores also did a considerable part of the business for variety stores, shoe stores and filling stations.

Chain Movies Dominate

Chain systems were not an important factor in the service field except in the case of the moving picture business. Out of 10,780 establishments, there were 10,572 single independents. There were 108 single independent theatres for which receipts were $2,636,200 and 49 units of chains and local systems with receipts of $5,976,700.

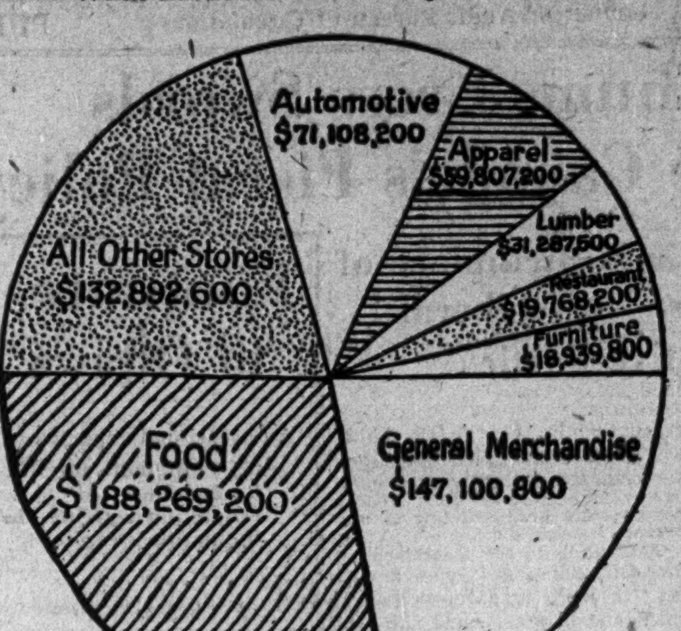
Part of Any Campaign

The foregoing brief survey of the retail merchandising field in Quebec indicates in no uncertain manner that the manufacturer or distributor elsewhere cannot afford to overlook the French Canada market. The more than 43,000 retail outlets and sales in excess of $700,000,000 annually constitute an integral part of any campaign which purposes covering the Canadian market in a thorough way.

Wealth of Province

Farm Values	$1,109,873,000
Products in Farmers' Possession	291,131,000
Total Agricultural Wealth	1,401,004,000
Mines—Capital Employed	133,351,000
Forests	604,878,000
Fisheries	1,992,000
Central Electric Stations	193,482,000
Manufactures—Fixed Assets	442,730,000
Manufactures—Inventories	248,069,000
Construction, Custom and Repairs	42,464,000
Trading Establishments	287,881,000
Steam Railways	364,579,000
Electric Railways	63,264,000
Canals	35,750,000
Telephones	58,067,000
Urban Real Property	2,701,953,000
Shipping	55,774,000
Imported Merchandise in Store	157,581,000
Automobiles	90,718,000
Household Effects, etc.	353,892,000
Specie, Coin and Other Currency	64,874,000
Total	$7,302,000,000
Percentage of Dominion Total	25.23

What French-Canada in Quebec Buys



Foods and general merchandise account for more than half the retail purchases of the French-Canada market in the Province of Quebec. The same market is one of the largest purchasers of automobiles in Canada.

FRENCH-CANADIAN SELLING KEYNOTE IS COMMON SENSE

Many Pitfalls to be Avoided in Advertising in French Canada

It is often contended that advertising in Quebec is not as effective as in other sections of Canada. This apparent lack of response from French-speaking consumers may be due to the use of wrong appeals or indifferent ones at least, according to Alfred Des Rochers, well-known expert on French Canada advertising.

The most important thing to know about prospects is their shortcomings, in order not to use appeals based upon something absent from the prospects' mind.

Have Positive Qualities

French people are individualistic, more bluntly, selfish. Next to being selfish, they are stubborn and nonchalant. But with them, in Canada as in France, these shortcomings amount to positive qualities. They prize personal security and liberty, and in the long run, notwithstanding prejudices to the contrary, they are the most practical people in the world.

It follows that the advertising along the following lines appeals only to a fraction of the French population: sense of duty towards the community; being on the level with the Jones, and change for change's sake. That does not add to their personal security or liberty and leaves them cold.

Even the fear appeal, now prevalent, falls flat upon them if they are not personally at stake. But the fear appeal may be excellent with them for medicines claiming to cure ailments.

Common Sense Essential

To be effective, advertising aiming at a French market must be loaded with common sense. French people are more emotive outwardly, but make much more use of logic inwardly than their co-nationals. They are all words and gestures at first sight, but weigh carefully the pro and con of everything before passing to deeds.

The advertiser who wants to sell the French market must show first that his goods will make life easier, will give more security and liberty, and are well worth the effort of changing a habit.

Get Favorable Attention

But he should remember French people are nonchalant. The argumentation must be done quickly and directly, otherwise his listener will turn to something else. So the advertiser's problem is one of getting first a favorable attention, then of speaking common sense — briefly, and according to French standard of common sense!

To get the full benefit of his advertising dollars in Quebec, an advertiser must get his advertising made to measure, because the French group is not merely a group of North Americans speaking French, but a self-contained one, as different from the rest as the old country Frenchmen differ from the British. Once this fact is acknowledged, advertising in Quebec will be as profitable as elsewhere, maybe more.

Covers Large Area

The area of Quebec is 594,434 square miles some 5,000 square miles more than the combined areas of France, Germany and Spain.

BIG MARKET GROWING FAST IN P. Q. AREA

Many Millions Spent on Establishment of New Plants

PAPER TRADE LEADS

Over 50 Industrial Centres Have an Annual Output Valued Above $1,000,000

Wide increases in Quebec's industrial activity have been a feature of its progress in the past two decades. Millions have been spent in establishment of new plants and equipment as manufacturing activity has gained; the Quebec market has been a sales outlet which has well repaid a careful study of its needs.

While the province felt the general decline in manufacturing activity experienced by industry in 1930 it was to a considerably lesser extent than its neighboring province Ontario. The gross value of products decreased by 12.5 per cent in Quebec in 1930 (latest figures available) compared with a decrease of 17.7 per cent in Ontario.

Spent $462,244,278

In that year 7,410 manufacturing establishments in Quebec spent $462,244,278 on raw materials and they produced finished merchandise having a value of $1,022,280,687. Employment was furnished to 204,802 persons who received $216,835,675 in salaries and wages.

Pulp and paper group was the leading factor in Quebec's manufacturing activity, being responsible for 10 per cent of manufactures in 1930. The tobacco industry was second accounting for 7 per cent. Other leading industries were railway rolling stock (5 per cent), central electric stations (4 per cent) and sawmills (3 per cent).

Pulp and Paper Leads

Leadership of the pulp and paper group was undisputed. With an invested capital of $363,928,749, second only to investment in central electric stations, the industry had a production valued at $109,241,510 which compared with tobacco industry's production of $75,056,846. Number of pulp and paper establishments in 1930 was 48 and they employed the largest number of workers of any single industry in the province at 16,552 workers.

The tobacco group has shown remarkable stability in recent years, and Quebec is the manufacturing centre for Canada. In 1930 there were 64 establishments and in these factories were manufactured a large part of all the cigarettes and tobacco products consumed in Canada.

Rolling Stock Fluctuates

Manufacture of railway rolling stock was third in the Quebec list of industrial life and the 10 establishments reporting in 1930 turned out products valued at $49,427,008. This industry is notoriously cyclical and in the past year or two the unsatisfactory railway situation has

(Continued on page 14)

The PROVINCE *of* QUEBEC

Immensely Rich in Her Resources, to be Retained and Developed in Canada's Best Interests

WATER POWER—The physical geography of the Province of Quebec is such as to make its innumerable water falls one of its most valuable natural resources.
For the time being, the estimated available power for development has been set at some 13,000,000 horse-power (the largest figure of any Canadian Province), out of which over 3,300,000 horse-power have been developed, which figure represents about 50% of the total turbine installation in the whole of Canada.
Considerable foreign capital has been attracted and invested in this industry, which has attained a high degree of efficiency. Of course, the world depression has also in a measure affected it and caused a momentary slackening in the demand for power; but the need of electric current is now so general in modern civilization, that it is confidently expected that most power plants will return to normal capacity in no distant future.

FORESTS—Quebec's virgin forest resources are great wealth producers for the Province—not only in revenue for stumpage dues, sale of timber, et cetera, but as the mainstay of the pulp and paper industry, a source of substantial prosperity throughout the Province. Value of wood cut and of other forestry products for 1931 was $35,742,966.
Of the pulp and paper mills actually operating in Canada, 45 are in the Province of Quebec. For 1931, of the $630,176,540 invested in this industry, $309,875,059 were invested in Quebec Province.
Quebec is the leading producer both of wood pulp and paper in the Dominion. In 1931, the production of paper was $71,385,954 for 1,275,105 tons, and of wood pulp $41,884,387 for 1,513,658 tons.

MINERALS—The value of Quebec's mineral production has reached $46,454,000. The mineral possibilities of Quebec are enormous. Whilst noted in the past chiefly for its non-metallic substances—asbestos (Quebec producing 73% of the world's total production), mica, feldspar, magnesite, graphite, marble and ornamental stone—with the discovery and development of the metallic deposits in the Western part of the Province, Quebec is now an important producer of gold and copper. Mining laws in Quebec are very liberal and favor the prospector.

AGRICULTURE—Estimated gross revenue from agriculture in 1931 approximated $181,457,000. Mixed farming is highly developed, with dairy products, next to field crops, the most important branch. Some 1931 production values are as follows: Field crops, $72,801,000; dairy products, $69,561,000; poultry and eggs, $9,243,000; fruits and vegetables, $6,140,000; maple products, $1,817,000; tobacco, $336,000; oats (included in field crops), $17,945,000; farm animals, $19,509,000; wool, $534,000; clover and grass seed, $154,000; honey, $487,000.

MANUFACTURING—Quebec's hydro-electric power is not only abundant, but is the cheapest in Canada. This plus strategic location in relation to markets, splendid water and railway transportation facilities, excellent labor, and availability of raw materials, has been responsible for the Province's solid and rapid growth industrially. Manufacturing establishments in 1930 numbered 7,410, employing 204,802 workers and representing a capital investment of $1,727,064,388. The gross value of products in 1930 was $1,022,280,687.

TOURISTS—Both summer and winter tourists find Quebec Province a place of intriguing charm. Good hotels, varied scenery, good roads, winter sports, sensible, well-regulated liquor laws, historic spots, have all combined to increase tourist traffic. It is estimated that motor tourists from United States alone spent $50,000,000 in the Province of Quebec in 1932.

Government
Lieutenant-Governor, THE HON. HENRY GEORGE CARROLL

Members of the Executive Council
HON. LOUIS A. TASCHEREAU
Prime Minister, Attorney-General and Minister of Municipal Affairs

HON. HONORE MERCIER, Minister of Lands and Forests
HON. JOSEPH E. PERRAULT, Minister of Roads and Mines
HON. LOUIS A. DAVID, Provincial Secretary
HON. EMILE MOREAU, Minister without portfolio
HON. LAUREAT LAPIERRE, Minister without portfolio
HON. JOSEPH H. DILLON, Minister without portfolio
HON. HECTOR LAFERTE, Minister of Colonization, Game and Fisheries
HON. J. N. FRANCŒUR, Minister of Public Works
HON. J. ADELARD GODBOUT, Minister of Agriculture
HON. GEORGE BRYSON, Minister without portfolio
HON. CHARLES J. ARCAND, Minister of Labour
HON. R. F. STOCKWELL, Provincial Treasurer

For further information write

Office of the Premier, Province of Quebec, Quebec

Dr. L. J. Lemieux, Agent General for the Quebec Government,
2 Cockspur Street, Trafalgar Square, London, S.W. 1

TEXTILE PLANTS BIG PURCHASERS RAW MATERIALS

Over $20,000,000 Worth of Goods Needed by Quebec Industry

UPHOLD SUPREMACY

Many Problems Confronting Industry Which Occupies Important Place in Quebec Activities

The various requirements of textile plants constitute an important factor in surveying the needs of the Quebec market. Quebec is the leading producer of cotton goods in Canada; it purchases about $20,000,000 of materials, chemicals, and other goods for utilization in this industry alone each year. Importance of the province in relation to the Dominion is seen in the fact that cotton textile plants, throughout Canada brought $27,975,374 of materials in 1930 of which Quebec purchased $20,400,009.

Quebec has long held supremacy in the cotton industry in the Dominion. Millions of dollars are invested in plants and equipment and it vies with the pulp and paper industry as a means of giving employment to the greatest number of workers. At the end of 1930 there was over $38,000,000 invested in cotton plants while number of workers totalled over 11,000.

Additions Continually Made

Competition, modernization and expansion are continually necessitating additional installations in the mills. Though the present time has called for consolidation of existing facilities rather than any marked extensions, in normal times cotton companies spend largely on plant improvements. A few years ago one of the largest organizations spent over $1,000,000 on completely re-equipping a cotton print mill which represents one of the most modern units in the trade. Another company has just finished rehabilitating its mill, which incidentally is one of the largest single units in the world, at a cost of over one million dollars.

Such expenditures indicate the potentialities of the market. The cotton industry is faced with necessity of keeping down its costs to a level which will enable it to compete with foreign and British imports; the only way it can do so is to maintain production facilities at the highest pitch of efficiency. Thus old equipment must be scrapped as it becomes obsolete; new plants must be built, while each year the greatest volume of production calls for bulky expenditures on raw materials.

Eastern Townships Active

Though the metropolitan centre of Montreal is the location of several mills the greater part of activity is centred in and around the territory known as the Eastern Townships. The section, sometimes called the New England of Canada, does not belie its name. It is a highly industrialized district and for various reasons the cotton industry appears to thrive in it. Plenty of *power is available* at low cost; labor is ample; there is abundance of pure water, while suitable living conditions in the small towns work to the advantage of the employees.

At Magog, for instance, Dominion Textile Co. has built up a regular community dependent on its cotton maunfacturing activities. Plants at this spot support over 1,600 individuals while the print works give employment to an additional 750 people. Sherbrooke, Drummondville, St. Hyacinthe and other towns are well known for their textile operations; and in normal times purchasing power of cotton mill employees plays an important part in general business of the community.

Silk Business Expands

Aside from cotton manufacturing, however, Quebec is famous for its numerous silk mills. In recent years the Quebec market has been an enormous purchaser of raw silk together with complementary materials for its manufacture into the finished article. Many new plants have been erected as demand for silk, combined with low prices, has stimulated production to new high levels.

Throughout the Eastern Townships, again, may be found numerous silk mills. Belding-Corticelli, leading silk producer in the Dominion, has establishments in St. Hyacinthe, Coaticook, St. Johns, as well as Montreal. The same factors which appeal to the cotton manufacturers draw the silk companies to Quebec; and particular attention should be paid to this industry in any investigations into the potentialities of the French-Canadian market.

Canadian Celanese Ltd. operates the only celanese plant in Canada at Drummondville. In recent years productive capacity has been doubled and the plant has worked night and day as new outlets have been established for its output.

The woollen and knit goods industry is also heavily represented in Quebec. At Sherbrooke is located what is reputed to be the oldest and largest woollen mill in the Dominion, that of the Paton Manufacturing Co. At St. Jerome the Regent Knitting Mills has a modern plant while at St. Hyacinthe, Penmans operates a large factory manufacturing a wide line of knit goods and woollens.

Industry Faces Problems

The textile companies are having a difficult time at present. Low prices allow but a narrow margin of profit and competition from imports makes for further difficulty. The silk industry, in fact, has tended to expand rather too rapidly, and one or two small organizations have felt the pinch severely.

But the great cotton mills have maintained the reputation they have established over the past half century. Though they are battling with problems it is worth noting that relatively speaking they have maintained a satisfactory position. Employment, though on a lower scale, has been kept at a fairly good level; in short there has been a certain stability apparent in the Quebec cotton industry which speaks well for the foundation on which it rests. In this light business in mill towns may be said to be somewhat better than in other districts whose chief industries are subject to wide fluctuations in aetivity. It is a point to remember when surveying either the districts or the industry itself.

Quebec's Import Needs Total $700,000,000 Yearly

Wide Variety of Merchandise and Supplies Required by French Canada to Meet Its Everyday Demands

Quebec constitutes one of the principal merchandising markets in the Dominion, its annual imports amounting to approximately $700,000,000. While agriculture and manufacturing is conducted on an extensive scale—a surplus of many products being available for export—the province looks to outside sources for a large share of its domestic and commercial needs.

An examination of the trade returns shows that among edible agricultural products, Quebec purchases annually approximately $9,000,000 worth of sugar, molasses, syrup and confectionery. Roughly $6,000,000 of dried and fresh fruits are required to meet the needs of the Quebec people during a twelve-months period. Tea, coffee, cocoa, spices and other similar products find a ready market in the province, approximately $6,000,000 being spent on these items each year.

Liquors, Tobacco and Furs Purchased

Among the non-edible agricultural products Quebec imports each year $8,000,000 or more of liquors, alcohol, champagne and other wines. It also buys about $5,000,000 of tobacco to take care of its industrial needs. Quebec is also an excellent market for furs, hides and leather, purchasing in excess of $9,000,000 annually.

One of the most important manufacturing activities in the province is the production of textile products. The manufacturers' raw materials are imported from the United States, the Orient and elsewhere. While the value of such imports varies from year to year, Quebec textile operators purchase an average of around $50,000,000 annually.

Buy $5,000,000 of Motor Cars

Producers of iron and steel and their products find a wide market in Quebec. Automobile sales approximate $5,000,000 or better a year, while machinery purchases are in excess of $12,000,000 annually. Iron and iron partly manufactured to the extent of more than $12,000,000 is required to meet the needs of consumers in Quebec. Electrical apparatus is also in consistent demand, the value of imports exceeding $8,000,000 annually.

The absence of coal, petroleum and certain other non-metallic minerals in the province has made it necessary for Quebec to secure its supply elsewhere. Petroleum imported into the province averages in value about $15,000,000 yearly or roughly the same value as attributed to coal imports.

Chemical Products Find Wide Market

Chemicals and allied products find a wide market in the Quebec area. The annual imports of items in this category run into several millions annually. Nearly $1,500,000 of drugs and medicinal preparations are purchased. Over $1,000,000 is spent on fertilizers. While perfumery and toilet preparations are extensively manufactured within the province, imports aggregate around half a million dollars annually.

Among other major items of import are found such articles as brushes, musical instruments, acids, seeds, wire, hardware, wood products. The extent of these and other purchases is set forth in the following table:

	1930	1931
Fruits, fresh	$5,154,724	$4,781,945
Fruits, dried	1,313,814	1,241,487
Nuts	1,291,846	1,022,025
Sugar, molasses, syrup and confectionery	9,932,976	8,909,747
Tea coffee, cocoa, spices and products	6,289,153	6,043,573
Alcohol and spirituous liquors	9,293,521	7,362,486
Wines, n.o.p.	1,268,111	996,616
Champagne and sparkling wines	743,747	324,221
Gums	1,174,158	674,936
Rubber and products	3,256,473	1,793,760
Seeds	2,767,756	1,136,836
Tobacco	5,951,379	5,024,316
Furs, hides and leather	12,353,020	9,666,744
Meats	2,982,044	2,275,520
Butter	2,792,267	543,289
Cotton and products	25,261,918	16,422,457
Flax, hemp and jute products	5,520,793	4,032,398
Silk and products	11,254,310	8,567,764
Wool and products	18,031,458	14,189,777
Fibres, n.o.p., and products	6,518,175	....
Sawmill and planing mill products	1,785,701	1,279,089
Paper, n.o.p.	3,636,438	3,129,295
Iron and iron partially manufactured	18,735,945	11,729,811
Tubes, pipe and fittings	1,561,490	1,023,777
Wire	1,032,025	649,115
Engines and boilers, n.o.p.	1,341,475	834,320
Farm implements and machinery	595,707	580,975
Hardware and cutlery	1,259,107	959,989
Machinery	17,776,280	12,122,598
Vehicles	7,372,878	4,906,416
Aluminum	3,089,975	3,265,681
Brass	2,598,285	1,970,255
Copper	1,656,901	1,416,726
Electric apparatus	10,201,323	8,040,719
Clay and products	2,880,576	2,612,520
Coal and products	13,594,074	14,073,857
Glass	2,713,248	2,171,905
Petroleum, asphalt and products	18,931,847	14,609,286
Stone and products	1,854,744	1,412,252
Acids	422,750	371,980
Cellulose products	690,023	748,951
Drugs and medicinal preparations	1,500,740	1,469,759
Dyeing and tanning material	1,256,937	1,304,754
Fertilizers	1,015,809	1,108,754
Paints, varnishes, etc.	1,813,157	1,429,666
Perfumery and toilet preparations	551,660	593,327
Soap	162,314	194,244
Sods and compounds, n.o.p.	1,416,030	1,160,898
Amusement and sporting goods	1,150,356	919,250
Brushes	209,001	159,551
Musical instruments	1,076,528	410,263
Scientific and educational equipment	1,139,897	944,826

QUEBEC'S POWER FACILITIES PROVE VALUABLE ASSET

Tens of Millions Spent on Development of Water Powers

DEVELOP OUTLETS

More Intensive Cultivation of Domestic Market Opens Up Outlets for Appliances

Though the central region of Canada is not favorably located as to coal resources, it has been compensated by nature with water power resources. Over the last decade several hundred millions of dollars have been invested in the development and further expansion of Quebec's water power industry.

The large supplies of power made available have been the means of attracting many new industries, notably in the pulp and paper field, in which line of manufacturing activity power plays an important part.

At the beginning of this year Quebec had developed 3,357,320 h.p. out of a total of 8,459,000 h.p. available at ordinary minimum flow. Of this amount 2,998,000 h.p. was installed in central electric stations. In addition the pulp and paper mills had developed 222,160 h.p., while other industries reported 136,285 h.p.

Domestic Use Lags

While the development of water powers in Quebec has been on a scale larger than in other provinces, the distribution of power to domestic consumers lags behind other areas, notably Ontario where the use of electricity in the home and on the farm has been extensively developed.

No one reason can be given for the comparative backwardness of Quebec in the use of electricity for domestic purposes. The conservativeness of the people and the clinging to old customs has undoubtedly been one of the major factors. The benefits and the advantages of the use of electricty, however, are becoming more widely known and there has been a growing use of electrical appliances.

Market For Appliances

The market in Quebec for electrical appliances is far from the saturation point and the area offers one of the richest markets in Canada for manufacturers of electrical goods. In the accompanying statistical matter on the water power industry in Quebec, data is given as to the number of customers in the principal cities and towns. It will be noted that the number of users in relation to population compares favorably with other provinces. The kw.h. consumption, however, is below the average for the Dominion. This indicates an opportunity for the more intensive cultivation of the Quebec electrical appliances market.

WATER POWERS RESOURCES
(January 1, 1933)

Available 24-hour service at 80% efficiency, at ordinary minimum flow, h.p.	8,459,000
Available 24-hour service at 80% efficiency, at ordinary minimum flow, h.p.	13,064,000

DEVELOPED H.P.

Central electric stations	2,998,875
Pulp and paper mills	222,160
Other industries	136,285
Total	3,357,320
Per M. population	1,156

GENERAL DATA
(Latest available)

No. of plants	98
Capital	$445,381,055
Revenue	$43,201,265
Domestic	8,082,058
Commercial	5,388,910
Power (small)	2,002,926
Power (large)	26,547,666
Street lighting	1,184,705
No. of customers	456,405
Domestic	374,725
Commercial	69,179
Power (small)	9,594
Power (large)	2,291
Street lighting	616
Energy generated, kw.h.	8,822,901,000

ELECTRICITY CUSTOMERS

	No. of Customers Power	Lighting
District of Three Rivers	956	34,985
Grand'Mere	28	1,375
Joliette	50	2,100
Cap de la Madeleine	39	1,674
La Tuque	37	1,601
Shawinigan Falls	82	3,434
Three Rivers	283	8,608
District of Montreal	13,194	314,756
Asbestos	55	1,014
Coaticook	1	1,128
Dorval	..	651
Magog	..	1,322
Montreal	11,046	255,366
Drummondville	48	1,500
Farnham	18	986
Granby	38	2,398
Richmond	7	700
St. Hyacinthe	59	3,035
St. Johns	55	2,706
Waterloo	13	561
Beauharnois	17	740
Valleyfield	72	2,403
Pointe Claire	14	1,416
Ste. Agathe de Monts	..	724
Ste. Anne de Bellevue	27	781
Sherbrooke	148	8,098
District of Quebec	1,860	67,130
Bagotville	3	432
Chicoutimi	141	6,985
Donnacona	12	523
East Broughton	12	330
Jonquieres	11	798
Kenogami	..	1,025
Quebec	1,299	42,616
Rimouski	88	5,458
Riviere du Loup	37	1,630
Thetford Mines	45	2,158
Beauceville	15	358
Sorel	56	2,066
Plessisville	29	542
Victoriaville	111	2,209

Livestock Values Great

The value of livestock in Quebec amounts to $136,470,000 distributed as follows: horses, $34,708,000; cattle, $84,913,000; sheep, $5,609,000; swine, $11,240,000.

LE SOLEIL

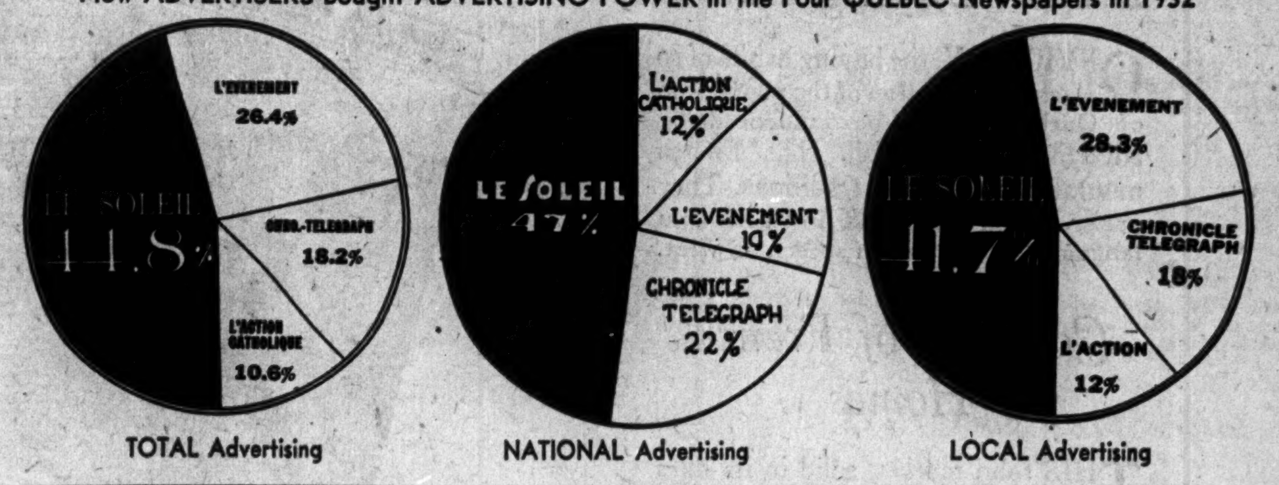
The Most Powerful SELLING FORCE in the QUEBEC Market —
One of the BEST Sales Territories in CANADA

SUPREME in
CIRCULATION (more than All Quebec
and dailies combined)
ADVERTISING — Population 92% French
Covers City and Trading Area at One Cost —
Lowest Milline Rate

Quebec City is the Capital of the Province of Quebec.
Property value $193,000,000.
Municipal revenue $5,000,000.
A lower tax rate than the average in 16 of the largest Canadian cities.
6 miles of stores. 200 wholesale firms.
2,129 retail stores. 244 industrial establishments.

No Montreal Newspapers CAN or DO
Cover the Territory of LE SOLEIL

How ADVERTISERS Bought ADVERTISING POWER in the Four QUEBEC Newspapers in 1932



Member A. B. C.
LE SOLEIL
Have you our new illustrated MARKET SURVEY on file?
We shall be pleased to mail you one or more.
HENRI GAGNON, Vice-President, Managing Director
Daily Circulation 50,000
LEO DE HAITRE, Advertising Manager
REPRESENTATIVES
J. B. Rathbone, 407 Canada Cement Bldg., Montreal, Que.
J. B. Rathbone, 110 Church Street, Toronto, Ont.
The Beckwith Special Agency Inc., New York, Chicago, Philadelphia, Detroit, St. Louis, Kansas City, San Francisco.

MANY QUEBECERS EARN THEIR LIVING FROM FISHERIES

Annual Catch Has Value in Neighborhood of $2,000,000

With hundreds of miles of river and the mighty gulf of the St. Lawrence for fishing grounds it is only natural that fisheries should have played an important part in the business life of Quebec. Any survey of the market should include the $2,639,960 invested in the fishing industry in the province and the 12,743 people who make their living from this source.

Prices in recent years have been low and spending power of this section of the population has been seriously curtailed but in normal times the annual value of the Quebec fisheries averages around $2,500,000. In 1931 value of the catch dropped sharply despite the fact that volume was higher than in the previous year.

Values Show Decline

In 1931 Quebec fisheries had a product valued at $1,952,894 compared with $2,502,998 in 1930 and $2,933,339 in 1929. Lower prices were directly responsible for the falling off. The cod catch, for instance, was 421,060 cwt. an increase over 392,642 reported in the previous year but values dropped from $1,073,836 to $730,410. Herring, the second largest catch, also increased in volume but value declined. Lobster catch ranks third in importance to the total value of the catch in 1931 sea fisheries contributed $1,469,274 and inland fisheries $483,217.

As far as capital investment in the industry is concerned, value of vessels, boats, and gear was the largest totalling $2,051,814 at the close of 1931; while value of the same articles used in inland fisheries was $284,177. Fish canning and curing establishments had a capital investment of $303,969.

Number of Establishments

Number of establishments in op-

(Continued on page 14)

DISTINGUISHED VISITORS stop at the Windsor because its reputation for dignified and luxurious comfort extends over three continents. It is noted for its quiet and courteous service and for the spaciousness and the exceptional appointments of its rooms.

The Windsor Hotel
Montreal

MAYBE
you're using
the wrong approach

IF YOUR sales in Quebec Province are disappointing and you don't seem to be able to discover why—read on. It may be you are using the wrong approach.

Consider! In Montreal 70% and in the Province of Quebec as a whole, over 82% of the population speak French, think in French terms, carry on business according to French-Canadian customs. Quebec merchants look to a French-Canadian business paper for trade information. That paper is Le Prix Courant.

And because it is and, for forty-six years has been, Canada's leading French-Canadian business paper, it carries today more than double the advertising linage of any other such paper. It is, in fact, of indispensable value on any sales promotion work in the Ancient Province:—the very backbone of any advertising campaign.

To supplement your other advertising and the efforts of your salesmen, use regular messages in Le Prix Courant. These advertisements can carry the story of your goods and your services to the leading French-Canadian merchants. May we send further details? Write

"LE PRIX COURANT"
Journal du Commerce
Head Office: 1070 Bleury Street, Montreal, Quebec
Ontario Office: 481 University Avenue, Toronto, Canada

BANQUE
CANADIENNE
NATIONALE

Paid up Capital and Rest, $14,000,000
Assets, over $132,000,000

BOARD OF DIRECTORS
Hon. F. L. Béique, *President*
Hon. J. M. Wilson and Sir J. Geo. Garneau,
Vice-Presidents
Hon. C. P. Beaubien — Chas. Laurendeau, K.C.
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A. N. Drolet — Hon. D. O. L'Espérance
J. H. Fortier — Leo G. Ryan

258 Branches in Canada
Paris Subsidiary:
Banque Canadienne Nationale (France)
37, rue Caumartin, Paris

Unsurpassed facilities for the transaction of banking business in French Canada

222 Branches and 292 Agencies in the Province of Quebec
70 Branches on the Island of Montreal
13 Branches in Quebec City

SAFEGUARDING
The Milk Supply of
Five Great Cities

Milk . . . pure milk . . . is one of the first essentials to human life. Eastern Dairies Limited, operating in five of Canada's greatest cities, provides this most vital element of the daily health-building diet. Each of its plants is recognized as an unfailing source of rich, pure, wholesome, quality-guarded milk.

EASTERN DAIRIES LIMITED
Owning and Operating
Acme Farmers Dairy Limited, Hamilton
Elmhurst Dairy Limited, Montreal
Acme Farmers Dairy Limited, Toronto
The Producers Dairy Limited, Ottawa
Crescent Creamery Company Limited, Winnipeg

Reach Quebec's greatest French buying power through the "La Presse" group

Population of Quebec

THE total population of the Province of Quebec according to the 1931 census is 2,874,255. Of this total the French population is 2,270,059.

French Buying Habits

OBVIOUSLY, the buying habits of so large a proportion of the population of Quebec cannot be influenced by advertising in English. The French naturally cling to their traditions. They prefer to be addressed in their own language — whether in speech or print.

Coverage of French Homes

THIS solid market, solid in its likes and customs, can be influenced most economically by the great three-paper combination built up by La Compagnie de Publication de La Presse Limitee, the outstanding French-Canadian publishing house, founded in 1884 by the late Hon. T. Berthiaume, member Quebec Legislative Council. These three papers — "La Presse," "Farmers' Weekly La Presse," and "La Presse Coloroto Magazine" — provide the advertiser with a fine coverage of French Canada.

A Three-Paper Combination

(Published entirely in French)

"LA PRESSE (daily)" is the largest daily newspaper published in Montreal. In addition to its intensive coverage of French Montreal — more than 105,703 Monday to Friday and 109;159 Saturday, local Montreal City circulation — La Presse reaches thousands of French families throughout the Province, in city, town and village. (Figures from latest A.B.C. Circulation Statement.)

"Farmers' Weekly La Presse" is Canada's national French farm weekly newspaper — agricultural magazine. It circulates all over Canada where French is spoken, but concentrates chiefly in the predominantly French province of Quebec. The fact that it has none but mail subscribers guarantees both its rural distribution and freedom from duplication of the Daily circulation.

"La Presse Coloroto Magazine" accompanies the Saturday edition of the Daily and fills the need of the French-Canadian public for a great French magazine. Its circulation outdistances by a very wide margin that of any other French magazine at a much lower rate per thousand of circulation.

Merchandising Service and Translations

THROUGH its Market Survey and Research Department, La Presse is prepared to assist and advise parties unfamiliar with the territory and its special problems, including information regarding trade marks, packaging, etc.

Through its Translation Bureau, advertisements submitted in English for publication in La Presse are translated free of charge by a staff of expert translators. Booklets, catalogues, etc., are translated for advertisers at net cost prices. Estimates cheerfully furnished.

LA PRESSE
LES FINANCES DE L'UNIVERSITÉ DEPUIS 1920
LA PRESSE
SUPPLEMENT AGRICOLE ILLUSTRE
LA PRESSE
Giboulées de mars

"LA PRESSE" (daily), Montreal's largest daily newspaper. Gives fine coverage of French Montreal. Low milline rate.

The FARMERS' WEEKLY "LA PRESSE" circulates among the better class dwellers in the rural districts of French Canada. Paid for circulation—no premiums and no contests. Excellent reader interest. Carries list of prominent national advertisers.

"LA PRESSE" COLOROTO MAGAZINE (pictured above), published weekly, contains fashions, comics, articles and pictures. Has nearly 160,000 more circulation per issue than the next largest French magazine—at a much lower rate per thousand circulation. Four colours and sepia.

LA PRESSE

"The dominant advertising mediums of the Montreal-Quebec market"

Published entirely in French

Daily - Farmers' Weekly - Coloroto Magazine

Toronto Branch: Metropolitan Bldg. ELgin 9652 S. L. Rees, *Manager*

Understanding of Words Is Not the Open Sesame To French-Canada

Thorough Knowledge of French-Canadian Point of View Essential for Successful Marketing Campaign

RICH AND COMPACT MARKET IS OFFERED

Study of French Canada Area Shows That Peculiarities Confronting Merchandiser Do Not Constitute Drawback — Appreciation of Aims, Tradition and Social Customs is Essential to Proper Entry to Market

An understanding of words alone never gives a man insight to the mind of another who speaks a different language. An English-speaking individual may know the grammar, idioms and vernacular of the French language but until he can think in French he must remain outside the inner recesses of the French mind. Here, then, is the keynote of a proper understanding of the French-Canadian market. To realize its potentialities and to gain access to its full purchasing power, the vendor, whether he is selling ideas or merchandise, must understand his customer's viewpoint. He must be able to think in French.

There are deplorably few in Canada who speak French as well as English and fewer still who can think in both languages. Failing this dual accomplishment, which to their credit is an achievement of many French-Canadians, the individual who would sell to the French-Canadian market must concentrate his efforts on obtaining a fuller knowledge of the customer's mind and habits.

Constitutes Rich Market

French Canada is one of the richest and most concentrated markets in Canada. Nearly 33 per cent of the Dominion's whole population dwell in Quebec; and this 33 per cent constitutes one of the most stable and reliable bodies in the national purchasing power. National distributors cannot afford to pass by this market, but many of them in the past have done this unwittingly by ill-advised policies, poorly-directed advertising campaigns; in short, through their failure to recognize the outstanding characteristics of this great section of Canada.

Result of some of these failures has been to build up a false impression of the difficulties which may be encountered in selling in the Quebec market. Because a manufacturer has adopted a wrong method in approaching his market does not mean that selling in Quebec is fraught with difficulties. In fact the very opposite is true; given a right understanding of the French-Canadian viewpoint a distributor will find himself established firmly in the minds of a great community which spends money freely and whose annual income probably varies less than any other section of equal size in Canada.

Are Good Spenders

It is generally stated that the French-Canadian is thrifty, a word which is often sadly misused. Thrift is sometimes confused with a miserly, tight-fisted instinct, but the French-Canadian is thrifty in the purest sense of the word. If he sees what he needs and is convinced that the article in question measures up to his requirements he will buy quickly and will spend lavishly.

Centuries of fighting for and living in a new world have left a certain mark on the French-Canadian character. In Quebec there is a large rural population which has tilled the same land for 300 years. Unlike the western farmer he does not work to make large profits quickly. Farming is his life's business, his father's before him and his son's after him. Some have left the land for the business centres where they have reaped large profits from successful enterprises but to some extent they have retained those characteristics which were imprinted on them in the earlier centuries.

Mere words alone, especially poorly translated from English advertising copy, find little sympathy in the French-Canadian mind. The sales manager must penetrate deeper; he must know his market and the mind of his man before he can sell comprehensively. Some of the English advertising copy which has appeared in French in Quebec does not even make sense. The school boy's translation of "Et tu Brute" into "And you, you brute," dwindles into insignificance with some of the efforts which have appeared in French-Canadian papers. These are instances, of course, of purely blatant mistakes, of money wasted yet they have occurred frequently in the past.

More Than Words Needed

Even a correct translation into French will not suffice as a rule. A knowledge of the customer's mind must be conceived before effective advertising copy can be prepared; through that knowledge is obtained a vision of the true value of the market.

It is equally true to say that much progress has been made in realizing this situation. The large number of nationally known manufacturers and distributors firmly established in Quebec is ample evidence of the fact that a proper study of the market has been made and fully rewarded. But it is also true to say that there are still those who make sporadic attempts to sell French-Canadians with inane campaigns which are practically meaningless and which represent merely a waste of money and energy. And so arises the story that the market presents great problems to the distributor.

One of the largest chain store executives in Canada, with several hundred units operating in Quebec states that the French-Canadian buying habits do not present any particular problem, if weight is given to one or two features which are not encountered in associate branches in English-speaking provinces. Departmental stores do a large direct and mail order business. Volume of their sales runs into tens of millions of dollars every year. Competition is very keen and the bid for the French-Canadian trade is pushed to the limit.

Some Don'ts Stated

Though it is dangerous to make broad statements in connection with any individual market it is safe to say that there are certain merchandising policies which do not find favor with the French-Canadian. In the first place the group appeal should be used sparingly for the French-Canadians like to be different from one another. They are keenly individualistic and want personal consideration. The scare appeal, so popular in many national advertising campaigns, is rarely effective in Quebec. Another "don't" is to avoid the innuendo appeal. French-Canadians dislike hints being made as to the possibility of their being not as particular as they should be about themselves. Finally there is the high-pressure do-it-now appeal which finds scant sympathy. This type of solicitation leads the French-Canadian to think adversely of something that should be bought immediately. It would seem that this type of appeal tends to irritate rather than sell; possibly another indication of the individualistic attitude.

Many Have Success

The tremendous distribution of goods in Quebec from outside sources is sufficient indication that the so-called problem of marketing in the province is largely mythical. But the basis of success achieved in these many lines rests on a thorough appreciation of the French-Canadian characteristics; once these are assimiliated the sales manager will find a receptive market with a strong buying power.

French is Dominant

Thus in planning a merchandise campaign it must always be remembered that the French-Canadian speaks and reads in French; attends services in French churches; goes to French schools and universities, amuses himself in French clubs; patronizes French hospitals; speaks French in court and elsewhere because it is his mother tongue and therefore the language with which he is most familiar.

To those who know Quebec such a reminder is superfluous. But to others the point cannot be overstressed and must be held in the back of the mind at all times.

Gross Agricultural Income

(000's omitted)

	1929	1930	1931
Field Crops	$153,664	$120,366	$72,801
Farm Animals	41,001	32,300	19,509
Wool	1,320	745	534
Dairy Products	86,698	81,837	69,561
Fruits and Vegetables	7,974	6,306	6,140
Poultry and Eggs	14,407	13,513	9,243
Fur Farming	2,104	1,258	875
Maple Products	4,767	3,612	1,817
Tobacco	1,210	792	336
Seed	115	89	154
Honey	435	455	487
Total	$313,695	$261,273	$181,457

MINING PROGRESS IN QUEBEC AREAS ADDS TO WEALTH

Active Work on Gold Claims Causes Millions to be Spent

Manufacturers of mining equipment have devoted special efforts to Quebec in recent years as the province has forged ahead as a great gold producer. Pioneered by the achievements of Noranda, Quebec is currently Canada's fastest growing gold-belt producing province. Within a belt extending 100 miles east of the interprovincial boundary are developments that have attracted attention as in no other section of the Dominion.

Beginning four years ago with commencement of production by Siscoe Gold Mines this belt has witnessed steady expansion. Granada started operations two years ago and O'Brien-Cadillac and Bussieres last year. In addition prospecting has been rewarded with finds that are under aggressive development and give promise of swelling the ranks of producers.

Arntfield is Active

Twelve miles west of Noranda, Arntfield Gold Mines has by consistent efforts lengthened Quebec's belt of gold producers. About 16 miles northwest of Noranda is Beattie Gold Mines which is completing construction of the largest initial gold mill in Canada to test a large low grade gold ore deposit that may revolutionize preconceived notions of production costs.

Second only to Ontario comes Quebec in the ranks of gold producers. Growth has been nothing short of amazing; progress may be largely attributed to production from Noranda which has acted as a tremendous stimulant to the whole industry. In 1926 gold output of Quebec was valued at $76,000. In 1932 preliminary figures place production at $8,291,000 while estimates for 1933 are around $10,915,000.

Follows Copper Slump

Noranda's great step into the gold ranks followed the slump in the copper market and unquestionably any improvement in copper prices would be of great benefit to the company. The property is well established as one of the lowest cost copper mines in the world; a price increase would also lead to extended prospecting and development in the Quebec copper-bearing regions.

Quebec possesses a complete copper-producing industry from the mine to the refinery practically under one control. The refinery may well become the centre of a copper manufacturing industry. A wire drawing plant has already been established near the refinery and has been in production for two years. Oothers may be attracted because the refinery is located on deep water giving it access to ocean navigation.

Asbestos Output Drops

Gold and copper has ousted asbestos from its place as the leading mineral in Quebec. In former years Quebec dominated the asbestos market; its mines in the Thetford area comprised the largest asbestos properties in the world. Unfortunately competition from Russia and Rhodesia have made inroads into the world market; prices have fallen to low levels and activity in Quebec mines has ebbed. The province still supplies some 60 per cent of the world's asbestos needs.

Government Gives Aid

Credit is due to the activities of the Provincial Government in its efforts to foster an interest in mining. The help given has included subsidies granted for the opening of mineralized areas, and construction of roads, field work by trained geologists, and the ensuing publication of maps and reports on areas of interest to prospectors and mining men; classes for prospectors; maintenance of laboratories in Abitibi, Temiskaming, Montreal, where analysis of ores, and the determination of minerals is undertaken at nominal fees.

Another factor in promoting the growth of the mining industry is the fact that the Quebec Bureau of Mines has participated in various exhibitions with displays of collections of minerals and ores of products manufactured from them, and the liberal distribution of literature on the mineral resources of the province.

Seed Bears Good Fruit

The seed thus sown has born good fruit. Quebec is now definitely established as one of the leading gold producers in Canada, and the resultant activity in mining centres in the past few years has been a welcome factor in the industrial situation.

MANY QUEBECERS EARN THEIR LIVING FROM FISHERIES

(Continued from page 13)

eration in that year included 50 lobster canneries, 12 salmon canneries, 31 fish curing establishments. Most of the establishments are of small size, average capital investment being around $3,000.

Sea fisheries employed 10,025 men and inland fisheries 1,818. In fish canning and curing establishments the average number of persons employed during the year was 388. It should be remembered, however, that in certain months of the year the number recorded is much greater. For instance, the number employed in May was 920; in June, 965; in July, 852. After that month the number gradually lessened until in December there was practically no activity in these establishments.

To those studying the market these fluctuations may be significant. The summer months record the peak of activity in the curing establishments while data indicates a virtual shut down during the fall and winter months.

Following are details of fisheries output in Quebec:

	OUTPUT
1931	$1,952,894
1928	2,983,329
1926	3,100,964
1923	2,100,412
1920	2,592,382
Capital invested	2,800,987
No. of workers	11,066

BIG MARKET GROWING FAST IN P. Q. AREA

(Continued from page 12)

seriously curtailed activity in this particular industry which employed 11,608 workers in 1930.

Central electric stations, on which millions have been spent in recent years, rank fourth in production, the 136 stations having an output valued at $43,201,265. Development of water power in the province has been one of the outstanding features of industrial progress; growth of the pulp and paper industry, in great part, was responsible for the large scale installations undertaken.

Six Major Areas

Industrially the province may be divided into six major areas. To the west there is the Ottawa Valley centring around Hull. Here are found large power developments, paper plants, lumbering mills and smaller manufacturers.

A short distance to the east is Montreal, one of the principal manufacturing areas in the Dominion. Many of the country's larger industrialists are located at this point, which is also the headquarters of the two transcontinental railways. This factor has been instrumental in the establishment of a number of industries to serve them.

Further east and to the south is the Eastern Townships, a hive of industrial activity. Development of this area as a manufacturing centre has been an outstanding event in the industrial history of Canada. Here is found the centre of the Canadian silk and textile industry, asbestos products manufacture, pulp and paper plants, lumbering mills and many specialized industries.

On the north shore of the St. Lawrence comprising the territory around Three Rivers, Shawinigan Falls and Cap de le Madeleine is another industrial section of major importance. Here is located the pulp and paper industry in force, while there are a number of smaller manufactures including chemicals, textiles, etc.

The fifth industrial area of the province radiates around Quebec City. As one of the oldest established communities in the province, manufacturing has been carried on here for the past two centuries or more. Added importance to this area as an industrial centre has been brought by the availability of large supplies of cheap water power and raw materials.

Pulp and Paper District

The latest entrant to qualify as a manufacturing district in Quebec is the Lake St. John and Saguenay district. Pulp and paper and lumbering have thrived in this district for many years but since 1920 the section has attracted millions of new capital in the form of such major manufacturing products as the Lake St. John Power and Paper Co., Port Alfred Pulp and Paper Corp. and the plant of Aluminium Ltd.

Montreal, as the largest metropolitan area in Canada, heads the list of principal industrial centres in Quebec, to be followed by Quebec and Three Rivers. A résumé of the principal industrial cities with number of plants and value of products, follows:

	Establishments No.	Value of Products $
Montreal	1,825	532,404,756
Quebec	243	38,314,617
Three Rivers	59	37,972,620
Shawinigan Falls	23	24,510,936
Montreal East	6	22,184,054
La Salle	7	21,170,230
Lachine	32	17,387,918
Sherbrooke	68	15,946,699
Granby	31	11,886,686
Drummondville	18	9,794,346
Hull	38	8,960,340
St. Hyacinthe	45	8,290,331
St. Jean	41	7,326,768
St. Jerome	30	7,399,204
Port Alfred	3	6,827,468
Magog	16	6,790,091
Valleyfield	27	4,963,241
La Tuque	10	4,870,225
Westmount	13	4,451,247
Kenogami	5	4,440,336
Cap de la Madeleine	12	4,363,631
Grand'Mere	16	4,357,996
St. Pierre	11	4,216,881
Donnacona	3	3,721,032
Montmorency	3	3,633,847
St. Joseph de Alma	8	3,474,423
Victoriaville	23	3,042,584
East Angus	7	2,997,816
Chicoutimi	27	2,840,766
Sorel	17	2,819,068
Beloeil	11	2,808,724
Joliette	41	2,551,007
Brownsburg	2	2,608,413
Beauharnois	7	2,443,797
Lauzon	6	2,351,517
Verdun	18	2,338,966
Cowansville	16	2,218,524
Outremont	7	2,199,207
Windsor	8	2,107,416
Coaticook	20	1,736,923
Farnham	10	1,595,949
Asbestos	10	1,542,478
Louiseville	11	1,502,791
Delson	4	1,408,971
Longueuil	11	1,406,713
Chandler	2	1,333,100
Buckingham	13	1,317,790
Berthier	14	1,288,168
Rimouski	10	1,205,44.
Montmagny	14	1,178,978
St. Remi	12	1,116,794
Portneuf	10	1,032,849
Jonquiere	11	1,024,707
Total leading cities and towns	2,934	871,526,379

Leading 40 Industries

Following are the 40 leading industries in Quebec. The 5,675 establishments included in this group comprise 76 per cent of the total number in the province. Capital investment in them is 87 per cent of the total and value of production in 1930 was 82 per cent of total industrial production in Quebec. It should be noted that other leading industries in the province include sugar refining and bridge building. Because there are fewer than 3 establishments in each industry statistics are not available to the Government.

	Establishments No.	Value of Products $
Pulp and paper	48	109,241,510
Tobacco, cigars and cigarettes	64	75,056,846
Railway rolling stock	10	49,427,008
Central electric stations	136	49,201,265
Sawmills	1,334	34,349,164
Cotton yarn and cloth	14	34,321,573
Clothing, women's, factory	200	30,055,139
Non-ferrous metal smelting and refining	3	26,373,967
Clothing, men's, factory	126	25,934,858
Slaughtering and meat-packing	17	25,757,970
Butter and cheese	1,366	25,469,594
Electrical apparatus and supplies	19	24,860,747
Boots and shoes, leather	104	24,633,019
Flour and feed mills	350	22,626,864
Breweries	7	21,560,970
Bread and other bakery products	868	18,673,421
Castings and forgings	68	17,328,809
Printing and publishing	69	17,212,349
Rubber goods, including footwear	11	16,293,436
Petroleum products	6	15,853,065
Biscuits, confectionery, chocolate, etc.	53	14,299,835
Distilleries	6	13,419,753
Machinery	27	13,343,827
Hosiery, knit goods and gloves	41	13,335,532
Silk and silk goods	15	11,883,085
Furnishing goods, men's	71	11,079,241
Sheet metal products	19	10,136,720
Paints, pigments & varnishes	18	10,009,086
Printing & bookbinding	255	9,486,758
Shipbuilding and repairs	5	8,798,004
Planing mills, sash and door factories	282	8,427,583
Primary iron and steel	13	8,190,360
Dyeing, cleaning & laundry work	83	7,297,897
Hardware and tools	28	7,191,384
Miscel. textiles	5	7,079,062
Cement	3	7,031,528
Furniture	71	6,983,494
Hats and caps	65	6,644,072
Fur goods	70	6,547,660
Acids, alkalies and salts	3	6,541,202
Total 40 leading ind'tries	5,675	843,724,590
Total all industries in the province	7,410	1,022,280,887
Percentage of 40 leading industries to total of all industries in prov.	76.6	82.5

Note: Other leading industries of Quebec, statistics for which cannot be given because there are fewer than three establishments in each industry are: sugar refineries and bridge-building.

Examination of figures shows that from a standpoint of production vegetable products headed the list in 1930 followed closely by the wood and paper group. Next in order came textile and textile products, iron and steel and its products, and animal products. Value of vegetable products manufactured in 1930 was $216,899,777 and the wood and paper group was only $4,000,000 below this figure.

All but one division shows sharp declines from the 1929 levels, but central electric stations, output in 1930 showed an increase of nearly $8,000,000 at $43,201,265 compared with 1929.

Lead in New Building

Building contracts awarded in Quebec during April, 1933, had a value of $3,365,600, or better than one-third of the value of all contracts let in the Dominion.

UPWARD TREND IN POPULATION SEEN IN QUEBEC

Majority of Residents Are of French Racial Origin

Growth of population in Quebec has been on a steadier scale than that experienced by any other province in the Dominion. Between 1881 and 1931 the urban population of Quebec increased six-fold, while the rural population held its own, making for an aggregate increase of more than 100 per cent population in the 50-year period.

The last Dominion census gave Quebec a population of 2,874,255, of which number 1,813,606 were residents of cities, towns and villages, while 1,060,649 were located in rural areas.

Maintain Steady Increase

The manner in which the population of Quebec has grown since Confederation days is shown in the following tabulation:

	Urban	Rural	Total
1871	....	....	1,191,516
1881	311,104	1,047,923	1,359,027
1891	499,715	988,820	1,488,535
1901	654,065	994,833	1,648,898
1911	966,842	1,038,934	2,005,776
1921	1,322,569	1,038,096	2,360,665
1931	1,813,606	1,060,649	2,874,255

As the original establishment of the province was undertaken by French colonists, it is only natural that a majority of the Quebec people today should be of French origin and French speaking. The 1931 census showed that of the 2,874,255 people in the province, all but some 600,000 were of French racial origin. One third of the remainder are of English descent and 108,000 of Irish descent. The Scottish are well represented with 87,300, while the balance is made up of many diverse nationalities.

A survey of the principal racial origins of Quebec's population, according to the 1931 census, follows:

(Principal Ones Only)

English	234,739
Irish	108,312
Scottish	87,300
French	2,270,059
Hebrew	60,087
Indian	12,312
Italian	24,845
German	10,616
Greek	2,466
Polish	9,534
Russian	3,574

Montreal in the Lead

Montreal is by far the most important urban centre in Quebec, having a population of 818,577 as against 618,506 in 1921. It is the largest city in Canada. These figures, of course, do not include the greater Montreal area. If the surrounding municipalities are taken into consideration, greater Montreal area has a population of over 1,000,000.

An idea of the growth of Quebec's urban population is seen in the fact that between 1921 and 1931 the number of cities with populations of over 10,000 increased from 12 to 19.

Particulars of the population in the principal towns and cities in Quebec follow:

	1931	1921
Montreal	818,577	618,506
Quebec	130,594	95,193
Verdun	60,745	25,001
Three Rivers	35,450	22,367
Hull	29,433	24,117
Sherbrooke	28,933	23,515
Outremont	28,641	13,249
Westmount	24,235	17,598
Lachine	18,630	15,404
Shawinigan Falls	15,345	10,625
St. Hyacinthe	13,448	10,859
Chicoutimi	11,877	8,937
Levis	11,724	10,470
Valleyfield	11,411	9,215
St. Johns	11,256	7,734
Joliette	10,765	9,039
Thetford Mines	10,701	8,272
Granby	10,587	6,785
Sorel	10,320	8,174

Many $1,000 are saved yearly . . .

through try-outs in fairly representative communities, to test if a certain type of advertising will appeal to consumers.

SHERBROOKE is the ideal spot for such try-outs in French Canada. Its population is more progressive than the average. Your salesmen will concord.

If a try-out flops in Sherbrooke it's of no use to carry it any further.

La Tribune

blankets Sherbrooke and the rich industrial and farming section surrounding Sherbrooke. The rates permit a fair try-out at low cost. Experiment on a small scale and save thousands of dollars.

La Tribune

The only French daily south of Montreal.

FLORIAN FORTIN, *President.*

ALFRED DesROCHERS
Advertising Manager
SHERBROOKE, QUE.

CANNERS PROFITS COVER INTEREST, PREF. DIVIDENDS

(Continued from page 11)

share on 2nd preferred and nothing on common. On April 1, 1933, dividends on 2nd preferred were further reduced to 20 cents a share and, if continued throughout the current fiscal year, would be equivalent to $72,746, or about twice the earnings available in 1932-33.

Consolidated Income and Surplus Account Years Ended

	Feb. 28 1933 $	Feb. 29 1932 $
Net earn. after taxes	729,017	511,656
Less: Gen. & depr. res.	200,000	200,000
Bond interest	225,232	209,972
For. exch. & propor. of int. & carrying chgs. on excess inventory	....	204,820
Net profit	303,785	*103,136
Less appropriations:		
First pref. divds.	273,426	273,426
Second pref. divds.	170,952	280,071
Common divds.	6,889	58,556
Surplus for year	*147,482	*715,189
Add: Previous surplus	541,013	851,382
Transf. from invest. & conting. res.	......	404,820
Bal. carried forward	393,531†	541,013

*Deficit or loss. †Amount of $670,037 carried forward to investment and contingent reserve is also a special surplus carried forward.

Working Capital

	Feb. 28 1933 $	Feb. 28 1932 $
Current assets	6,277,014	8,912,087
Current liabilities	2,279,631	2,661,677
Working capital	3,997,383	6,250,410
Ratio	2.75—1	3.31—1

Avern Pardoe, president, states the domestic sales fell off during the year owing to general conditions and in part to lower prices.

"Our foreign business," he continued, "which shows substantial increase, has been carried on under many difficulties, including changes in foreign tariffs, fluctuating exchanges and depressed export markets, but it had an important bearing on our tonnage and was of distinct advantage to the orchardists in supplying a market for fruits not otherwise available."

Referring to increase in capital account from $15,670,001 to $15,879,991 in spite of the usual annual write-off of $200,000 for depreciation, Mr. Pardoe states that there were the usual minor additions and especially a purchase of a new plant in the Province of Quebec. Depreciation reserve now exceeds 30 per cent of total.

GENERAL TRUST OF CANADA

Paid up Capital, $1,105,000

Board of Directors

HON. J. M. WILSON, *President*
HON. D. O. L'ESPERANCE, *Vice President*
BEAUDRY LEMAN, *Vice President*

Progress of the Company
Assets Under Administration

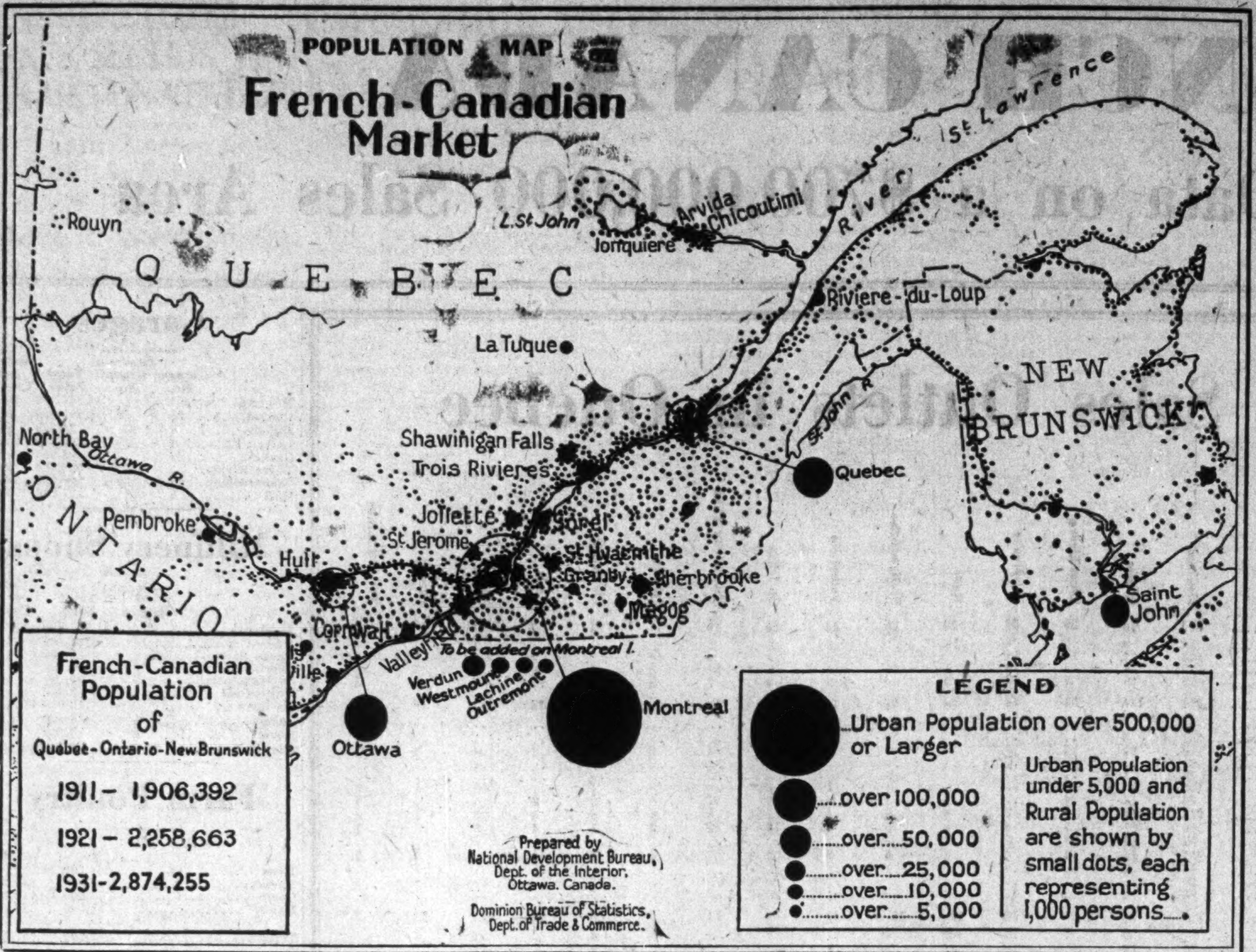
1928 $7,044,911
1929 $9,447,743
1930 ... $24,417,406
1931 ...... $27,721,264
1932 .... $31,904,494

Testamentary Executors • Administrators
Trustees • Liquidators • Financial Agents

112 St. James St.
MONTREAL

71 St. Peter St.
QUEBEC

Where a $700,000,000 Market Awaits Further Cultivation



North and south of the St. Lawrence River lies one of the richest and most highly concentrated merchandising markets in the Dominion. Here is the home of nearly 3,000,000 French-speaking Canadians. In the past manufacturers and distributors have been inclined to only skim the surface of this market because of its peculiar marketing problems. Forced by necessity distributors and producers are now paying closer attention to the merchandising of their products in French Canada to the benefit of both the consumer and the producer. The problems of the past are being approached with a more sympathetic understanding and the results are already seen in the increasing sales of nationally distributed merchandise.

Sustained Efforts Directed Toward Securing Plants

Tariff policies and depreciated currency in Canada have done much to swell the establishment of branch plants in Quebec. In the past there have been carried out aggressive campaigns to attract new industries to the province; the power companies, in particular, having been active in this respect.

Despite the generally restricted industrial activity in recent years new industries continue to flock to Quebec and during 1932 Montreal alone gained 46 branch plants—the bulk emanating from the United States. With such newcomers are brought capital and purchasing power. They have studied the market to which they have come to serve. In turn, they prove to be heavy purchasers of various materials necessitated in new equipment, plant, and similar installations.

Machinery Heads List

Machinery, foodstuffs and textile plants were the most important groups represented in the 46 immigrant companies locating in the Montreal area last year, while the number of employees ranged from 6 in the case of a new doughnut organization to 100 persons employed by both a shoemaking company and also by a big oil refinery which established in the district.

Nature of these companies' business covered a wide range. It included such industries as manufacturing washing machines, gas tanks, baby foods, chemicals, sauces, vegetable oils, typewriters, and food products. Textile organizations included those having an output of knitted goods, trimmings, laces, ladies' felt hats, and neckties. Of the total of 46 new industries no less than 30 came from the United States.

Eastern Townships Active

But the Montreal area is by no means the only district which attracts new industries. In the Eastern Townships recent years have witnessed an increasing number of establishments locating there; millions have been spent on plant construction and factory equipment. Southern Canada Power Co. serves a wide section of this territory and the company has been exceptionally active in drawing new industries to Quebec. The power has spread a network of transmission lines throughout the area; textile industries in particular have been attracted to the Eastern Townships.

Shawinigan Water and Power Co., Montreal Light Heat and Power Cons., and Southern Canada Power, the two leading utilities in Quebec are continually seeking new outlets for their production and have spared no effort to secure establishment of plants in the wide territory which they serve. It is only natural that the power companies should readily co-operate in securing new industries for the province for at the moment they are faced, for the most part, with a certain surplus of production.

Has Much to Offer

Quebec has much to offer the prospective new comer. Labor conditions in the province are noted for their stability; a noteworthy factor in the various items which make for an attractive plant location. Transportation facilities offered both by rail and by the great St. Lawrence seaway have also been important in building up the volume of new industries in the province.

Quebec's Mineral Output Rises to Over $24,000,000

Following are details of Quebec's mineral output in the past two years:

VALUE OF OUTPUT

1929	$46,358,285
1930	41,215,220
1931	35,673,395
1932	24,369,246

MAIN ITEMS OF OUTPUT

	1931	1932
Copper, lbs.	69,225,430	67,336,692
Gold, ozs.	300,877	401,106
Silver, ozs.	535,802	628,902
Asbestos, tons	164,297	122,97[illegible]
Cement, bbls.	4,942,323	2,210,584
Lime, tons	112,504	93,818
Sand & gravel, tons	6,657,789	3,275,798
Stone, tons	4,218,348	2,198,665

Wealth of Quebec

Wealth of Quebec is estimated by the Dominion Bureau of Statistics at $8,265,000,000, which is equivalent to $3,072 per capita.

POWER EXPORT MAY NOT BE ALLOWED

(Continued from page 11)

ernment to the export of power. Premier Bennett told parliament last week that no new applications for export permits had been received. And while he did not state the policy of the government he did invite members to look up the record and discover for themselves where the Conservative party stands. All of which is accepted to mean that very powerful reasons will have to be advanced in support of export licenses before the government will allow another horsepower to cross the border.

But those powerful reasons may be advanced.

* * *

New Relief Plan Slashes Payments

IN THE announcement of an unemployment relief agreement between the Dominion and the Tolmie Government of British Columbia, a new national relief policy is clearly discernible.

After maintaining for thirty months a policy which has cost the various governments, in the aggregate, more than $8,000,000 per month, or $257,000,000 in all, the Dominion Government has called a halt.

It is the clear cut intention to reduce direct relief payments by substantial amounts in June and in July, and to eliminate direct relief entirely in August. Whether relief policies will be resumed in the autumn will depend upon conditions as they then exist. But in the meantime very large savings of public monies will have been made.

The new Federal policy unquestionably will encounter the most bitter criticism not only from the unemployed but from several of the provinces, more particularly the western provinces. The prairie governments have been insisting that the Dominion play a greater role in the relief picture, and failing larger hand-outs from Ottawa they have been threatening to abandon unemployment relief entirely.

* * *

THE differences between the new and the old policies is very marked.

Under the old policy the Dominion accepted complete responsibility for single unemployed, massed them at work camps where necessary construction projects could be carried forward, gave them food, shelter and clothing and paid them 20 cents per day.

This policy is to continue. In fact the Dominion will now agree to accept unemployed men, other than single men, if nominated by the provincial governments. These additional men will be put to work at the camps and the provinces will be required to pay the Dominion 25 cents per day per man.

Furthermore, the Dominion is prepared to take over some provincial public works and carry them through, provided the province will turn over the work camps and the machinery free of charge.

Poor Syrup Run But Prices Better

Despite early promise of a good run, the maple syrup season in Quebec which finished recently, has been somewhat disappointing, only 25 per cent to 40 per cent of average production being reported. Lack of frost was stated to be the main cause of the poor syrup run. The quality, however, was generally good.

With production low, prices were somewhat higher than in immediately previous years, between $1.50 and $2.50 being quoted. These prices are about 50 cents a gallon above last year. In some instances where no outside shipments were made the price was lower.

ONLY 10 PER CENT QUEBEC RESIDENTS NOT CANADIANS

Immigrants Who Settle in Quebec Mainly from U. K. and U. S. A.

Less than 10 per cent of the population of Quebec at the time of the 1931 census were immigrants, as compared with 20 per cent and over in all other provinces to the westward. Of the total population of 2,874,255 only 251,743 were not born in Canada.

It would be expected that a considerable number of these immigrants would come from France but this is not the case, only 5,889 coming from that country. The British Isles and the United States provide the bulk of immigrants who settle in Quebec, the total from the former being 110,826 and from the latter 49,406.

Countries of Origin

In the following table the chief countries of origin of immigrants are shown along with the percentage of the Canadian total for each race.

Immigrants Resident in Quebec
(By Chief Countries of Origin)

	No.	% of Can. Total
British born	110,826	9.35
British Isles	103,679	9.10
England	63,369	8.75
Ireland	11,305	10.51
Scotland	27,491	9.83
Wales	1,031	4.61
British Possessions	7,109	15.74
Australia	383	10.74
India	356	7.62
Newfoundland	4,330	16.40
New Zealand	101	7.04
South Africa	214	9.57
West Indies	1,362	30.02
Foreign born	140,917	12.55
Europe	86,387	12.08
Austria	2,897	7.75
Belgium	2,927	17.18
Czechoslovakia	4,563	19.98
Denmark	1,181	6.86
Finland	2,696	8.88
France	5,889	35.15
Germany	2,789	7.12
Greece	1,294	28.19
Hungary	3,771	13.22
Italy	9,797	23.01
Jugoslavia	1,658	9.69
Lithuania	2,146	37.62
Poland	13,686	8.15
Roumania	7,298	18.09
Russia	18,172	15.88
Switzerland	1,213	19.96
Ukraine	1,383	10.05
Asia	4,544	7.50
United States	49,406	14.34
	251,743	10.91

Many Speak French

Proportion of individuals in Canada able to speak French at the last census was distributed as follows: British Columbia, 5.41 per cent; Alberta, 7.44 per cent; Saskatchewan, 7.38 per cent; Manitoba, 9.40 per cent; Ontario, 9.66 per cent; Nova Scotia 11.70 per cent; Prince Edward Island, 14.37 per cent; New Brunswick, 31.13 per cent; Quebec, 85.57 per cent, and Canada, 29.89 per cent.

Build Colonization Roads

In its efforts toward furthering colonization, the Quebec Government opened 157 miles of winter roads, completed 233 miles of wagon roads and repaired 1,252 miles of bad roads during 1930. Bridges and culverts built in the same period reached a length of 23,726 feet.

CAUTION IS URGED IN BUYING NEWSPRINT NEEDS FOR 1933

(Continued from page 11)

decline in the demand for newsprint has not been as great as in the volume of advertising linage.

For all of 1932, 110 newspapers in 30 major United States cities reported carrying 907,674,727 agate lines of advertising. This compared with $1,126,829,235 agate lines in the previous year, a decrease of 19.4 per cent.

For the first three months of the current year advertising in the same papers aggregated 176,730,906 agate lines, or a decline of 26.4 per cent from the 240,208,359 lines reported for the initial quarter of 1932.

There are no indications at the moment of any material pick-up in the demand for newsprint from United States publishers. A seasonal advance was noted in the March returns, but it is likely that consumption during the summer months will be below that reported a year ago.

Some optimism is shown for the fall months, but much will depend upon developments over the next three or four months. Efforts to revive business, if successful, would have a favorable reaction on newsprint consumption both in the United States and Canada.

Farm Eggs Worth $7,000,000

Farm egg production in Quebec in 1931 amounted to 33,338,594 dozen of the value of $7,001,100. This compares with a production of 34,886,125 dozen and a value of $10,465,840 in the previous year.

A Courageous Step . . .

L'Action Catholique

has courageously spent thousands of dollars already this year—to give its national advertisers greater value for their money with a sound, actively-buying circulation — and to give the SOLVENT French consumers what they expect and demand in L'ACTION CATHOLIQUE — the paper of their choice . . . news of the world, news of Canada, news of their parishes, new, lively, modern features to instruct and to entertain.

Reach these employed and active buyers NOW through L'ACTION CATHOLIQUE, the chosen daily of the monied classes in Quebec City, suburbs and rural districts of Eastern Quebec.

L'Action Catholique
(A.B.C.)
PUBLISHED AT QUEBEC CITY.
Canadian Representative:
DOUGLAS MCPHEE, Castle Bldg., Montreal.

A CITY *within* a City

THE MOUNT ROYAL HOTEL, with its superior room and restaurant service, its salons and lounges, its own smart shops—is not only a restful home for the traveller away from home, but also a very complete little city within the metropolis. One need scarcely step beyond the doors of this great hotel to obtain all that one may require.

Mount Royal Hotel
MONTREAL

J. ALDERIC RAYMOND
President

VERNON G. CARDY
Managing Director

SOREL STEEL FOUNDRIES LTD

The above drawing shows part of the recently completed West Bay. Modern construction and equipment throughout.

This Recent Extension to Our Plant Enables Us to Take Care of Increased Business

The recent addition made to our plant has increased our capacity and facilitates the manufacture of many additional lines, especially in the mining and quarrying fields. The satisfaction given by Sorel Steel is reflected in a recent order for mining castings to be installed in a Central American property.

Additional equipment — particularly a modern electric furnace and heat treating furnaces—enables us to give better service on better castings.

Sorel Steel
FOUNDRIES LIMITED
SOREL QUEBEC

A subsidiary of Consolidated Marine Companies Limited.

Dominion Square Bldg., MONTREAL
170 Bay St., TORONTO

FRENCH CANADA

Merchandising Data on a $700,000,000 Sales Area

Living Conditions

Number of dwellings	2,001,512
Occupied by owners	1,239,150
Family tenants	762,362
Paying rent	568,088
Rent free	155,392
Others	38,882
URBAN DWELLINGS	
Total number	1,023,736
Occupied by owners	471,569
Rented by tenants	562,167
Paying rent	459,054
Rent free	72,510
Others	20,563
RURAL DWELLINGS	
Total number	977,776
Occupied by owners	767,581
Rented by tenants	210,195
Paying rent	108,994
Rent free	82,882
Others	18,319

Farm Occupancy

OWNERSHIP OF FARMS	
Farms occupied	135,957
Occupied by owner	126,563
Percentage of total	93.09
Occupied by tenant	5,089
Occupied by part owner and part tenant	4,306
FARM FACILITIES, 1931	
Gas or electric light	19,402
Radio	8,618
Telephone	26,467
Water piped in kitchen	18,641
Water piped in bathroom	11,270
FARM EXPENDITURES, 1930	
Feed	$10,785,280
Farms reporting, No.	84,166
Aver. per farm reporting	$128.14
Fertilizer	$1,302,200
Farms reporting, No.	30,480
Aver. per farm reporting	$42.72
Seed	$2,705,840
Farms reporting, No.	81,005
Aver. per farm reporting	$33.40
Light and power	$ 432,420
Farms reporting, No.	18,329
Aver. per farm reporting	$24.68
Labor	$9,454,530
Farms reporting, No.	39,323
No. of weeks hired labor	785,761
Aver. per farm reporting	20
Aver. expend. per farm report.	$240.43
FARM MORTGAGE DEBT, 1931	
Total mortgage debt	$96,349,200
No. of farms reporting debt	42,192
Percentage of total	31.03
Aver. mtge. of reporting farms	2,284
Ratio of mtge. to value of all farms	14.29
FARM VALUES, 1931	
Value of farms (Land and buildings)	$678,278,600
Average per farm	4,989
Average per acre of land	38.21
Aver. per acre improved land	75.33
Value of land only	$422,100,400
Average per farm	3,105
Average per acre	23.78
Aver. per acre improved land	46.88
Value of buildings	$256,178,200
Average per farm	1,884
FARM TAXES, 1930	
Total amount of taxes	$6,650,310
Tax per acre of owned land	.39
Tax per acre of improved owned land	.78

VALUE OF OCCUPIED FARM LANDS (Per Acre)

	Quebec	Canada
1915	$51	$35
1920	70	48
1925	54	38
1926	53	37
1927	57	38
1928	54	38
1929	55	37
1930	48	32
1931	40	28
1932	37	23

Income Tax

INDIVIDUAL INCOME TAX RETURNS

Fiscal Year Ending March 31, 1932

Classified by Occupations:	No.	Amount
Agrarians	15	$ 989
Professional	1,239	544,914
Employees	21,177	2,797,605
Retail merchants	1,167	235,024
Wholesale merchants	184	94,046
Manufacturers	236	76,120
Natural resources	24	4,640
Financial	3,036	2,748,806
Personal corp.	96	1,164,024
Family corp.	257	416,810
All others	1,947	814,089
Total	29,868	$8,943,473
Classified by Amount of Income:		
Under $2,000	6,875	$36,292
$2,000 to $3,000	4,081	62,376
$3,000 to $4,000	4,600	73,820
$4,000 to $5,000	3,493	93,925
$5,000 to $6,000	2,897	103,181
$6,000 to $7,000	1,629	106,366
$7,000 to $8,000	1,179	124,443
$8,000 to $9,000	838	124,478
$9,000 to $10,000	596	122,068
$10,000 to $15,000	1,704	649,050
$15,000 to $20,000	675	550,453
$20,000 to $25,000	362	548,214
$25,000 to $30,000	219	502,753
$30,000 to $50,000	477	1,659,886
Over $50,000	243	4,139,765

CORPORATION INCOME TAX RETURNS

Fiscal Year Ending March 31, 1932

Classified by Occupations:	No.	Amount
Retail merchants	161	$ 349,876
Wholesale merchants	107	284,431
Manufacturers	400	5,385,838
Natural resources	14	71,363
Financial	278	2,054,127
Transportation & P. U.	52	2,916,999
All others	198	906,329
Totals	1,200	$12,027,735
Classified by Amount of Income:		
$2,000 to $3,000	131	$ 5,756
$3,000 to $4,000	55	10,686
$4,000 to $5,000	40	12,825
$5,000 to $6,000	69	32,327
$6,000 to $7,000	73	41,723
$7,000 to $8,000	53	37,157
$8,000 to $9,000	49	40,469
$9,000 to $10,000	33	30,882
$10,000 to $15,000	90	99,418
$15,000 to $20,000	99	145,030
$20,000 to $25,000	63	127,114
$25,000 to $30,000	51	131,143
$30,000 to $50,000	122	507,931
Over $50,000	272	10,746,500

Per Capita Income

1932	$295
1931	375
1930	456
1929	623
1928	690
1927	550
1926	450

Telephones

1922	157,993
1924	202,392
1926	240,914
1928	276,292
1929	293,353
1930	309,582
1931	308,120
1932	283,339

In Cities (March 31, 1933)

Montreal area	170,184
Quebec	22,991
Sherbrooke	4,802
Three rivers	4,556
St. Hyacinthe	1,470

Radio Sets

1931

Cap de Madeleine	353
Drummondville	434
Granby	565
Grand'Mere	372
Hull	1,198
Lachine	1,628
Montreal	70,164
Quebec	8,326
St. Hyacinthe	979
St Jerome	382
St. Johns	784
Shawinigan Falls	756
Sherbrooke	2,284
Three Rivers	2,046
Valleyfield	641
Westmount	3,911

Postal Revenue

Cap de Madeleine	$ 5,222
Drummondville	26,873
Granby	28,551
Grand'Mere	12,124
Hull	32,302
Lachine	6,200
Montreal	4,565,106
Quebec	651,283
St. Hyacinthe	41,318
St. Jerome	18,036
St. Johns	30,520
Shawinigan Falls	25,538
Sherbrooke	123,624
Three Rivers	80,359
Valleyfield	17,325
Westmount	38,213

Climate

Temperature and Rainfall

Quebec:	Monthly aver. of normal daily temp. (degrees) Max.	Min.	Mean	Total annual *precip. (inch)
Middle St. Lawrence River:				
Bark Lake Depot	50	27	38	32.72
Beauceville	50	27	38	32.18
Berthierville	50	30	40	33.80
Erome	50	31	40	34.92
Cedars	50	33	41	27.17
Drummondville	50	30	40	49.41
Farnham	51	31	41	40.07
Huberdeau	50	29	40	34.62
Joliette	51	29	40	32.70
Lake Megantic	48	29	38	38.53
Maniwaki	53	26	40	25.26
Montreal	50	35	42	40.65
Nicolet	49	31	40	37.66
Nominingue	49	27	38	32.15
Quebec	47	30	38	42.06
St. Lin	50	28	39	33.77
Sherbrooke	50	31	41	36.95
Sorel	50	29	39	32.53
Three Rivers	50	30	40	38.71
Lower St. Lawrence and Gulf:				
Anticosti	41	29	35	31.90
Armagh	47	28	37	36.54
Causapscal	45	24	34	32.66
Clarke City	43	23	33	42.60
Father Point	43	27	36	33.95
Gaspé	47	27	37	32.11
Natashquan	41	24	32	35.48
Seven Falls	47	23	35	50.88
Tadoussac	45	31	38	24.19
Lake St. John:				
Mitassini	43	23	33	31.77
Roberval	45	26	35	27.84
Upper St. Maurice:				
La Loutre Rapids	43	23	33	34.28
Lake Kempt	44	17	30	33.71
La Tuque	48	27	37	31.85
Manouan	46	22	33	27.52
Northwestern Districts:				
Abitibi	42	24	33	26.38
Amos	43	21	32	32.56
Mistissini Post	38	19	30	32.41
Quinze Dam	49	23	36	35.38
Spirit Lake	43	22	32	32.39
Ville Marie	48	24	36	29.15
Hudson Bay:				
Fort George	34	17	25	....
Fort Harrison	26	11	18	....

*10 inches of snowfall is calculated as equal to one inch of precipitation.

Chain Store Operations

	Independents No. of Stores	Independents Sales (1930)	Independents Sales per Store	Local, Sectional and National Chains No. of Stores	Local, Sectional and National Chains Sales (1930)	Local, Sectional and National Chains Sales per Store	% Total Sales
Montreal	2,382	$41,659,900	$17,490	373	$19,562,200	$52,420	31.9
Quebec	363	6,367,300	17,540	40	1,881,800	47,045	22.8
Sherbrooke	79	1,484,200	18,790	9	422,100	46,700	22.1

RETAIL DRUG STORES

	Independents No. of Stores	Independents Sales (1930)	Independents Sales per Store	Local, Sectional and National Chains No. of Stores	Local, Sectional and National Chains Sales (1930)	Local, Sectional and National Chains Sales per Store	% Total Sales
Montreal	323	$7,918,900	$24,516	58	$2,777,900	$46,170	26.0
Quebec	29	585,200	20,180	8	781,900	97,740	57.2

FILLING STATIONS

	No.	Sales	Sales per Station	No.	Sales	Sales per Station	%
Montreal	95	$2,194,500	$23,000	114	$3,024,500	$26,530	58.0

RESTAURANTS

	Independents No. of Stores	Independents Sales (1930)	Independents Sales per Store	Local, Sectional and National Chains No. of Stores	Local, Sectional and National Chains Sales (1930)	Local, Sectional and National Chains Sales per Store	% Total Sales
Montreal	594	$11,199,990	$18,856	45	$5,036,800	$111,930	31.0

WOMEN'S READY-TO-WEAR STORES

	Independents No. of Stores	Independents Sales (1930)	Independents Sales per Store	Local, Sectional and National Chains No. of Stores	Local, Sectional and National Chains Sales (1930)	Local, Sectional and National Chains Sales per Store	% Total Sales
Montreal	276	$7,677,600	$27,816	32	$1,818,600	$56,830	19.2

RETAIL SHOE STORES

	Independents No. of Stores	Independents Sales (1930)	Independents Sales per Store	Local, Sectional and National Chains No. of Stores	Local, Sectional and National Chains Sales (1930)	Local, Sectional and National Chains Sales per Store	% Total Sales
Montreal	189	$4,655,400	$24,630	67	$3,127,400	$46,680	40.2

Retail Sales Outlets in Quebec

	Montreal	Quebec	Three Rivers	Sherbrooke	Hull	St. Hyacinthe	Valleyfield	St. Johns	Shawinigan Falls	Joliette	Chicoutimi	Levis	Sorel	Granby	Thetford Mines
General Merchandise	645	76	29	33	20	20	10	20	19	17	11	7	11	13	16
Dept. and general, over $100,000	20	8	3	6	11	..	2	1	1	..	..	..	1	1	1
Dry goods stores	405	24	13	12	..	14	5	12	7	12	3	2	7	5	2
Other general stores	131	34	10	13	7	2	1	4	10	3	6	5	1	5	11
Variety, 5, 10 & 15 and to $1	89	10	3	2	2	4	2	3	1	2	2	..	2	2	2
Clothing and Apparel	1,614	184	38	44	36	28	18	25	19	21	10	12	21	16	14
Men's and boy's clothing	64	6	..	..	..	..	..	..	..	..	..	..	..	..	..
Men's furnishing	131	9	..	..	..	..	..	..	..	..	..	..	..	..	..
Men's clothing and furnishing	110	22	10	9	10	7	3	3	4	3	2	1	4	1	2
Hats and caps	21	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Children's specialty	13	2	..	..	..	..	..	..	..	..	..	..	..	..	..
Women's ready-to-wear	199	23	3	11	..	3	1	1	..	3	1	..	5	1	2
Clothing (general)	95	11	4	..	5	1	4	8	7	4	2	2	4	4	3
Millinery	214	30	7	9	6	6	4	4	5	4	2	4	3	4	3
Shoes	256	31	5	4	9	5	1	3	1	3	1	4	8	3	1
Furriers	97	16	8	3	1	..	..	..	..	..	..	..	..	..	..
Custom tailors	241	24	4	4	3	5	2	2	2	2	2	1	..	3	3
Dressmakers	51	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Hosiery and knit goods	29	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Others	93	10	..	..	..	..	..	4	..	..	..	..	..	..	..
Automotive	657	88	26	30	23	16	18	9	12	8	8	12	..	12	7
Motor vehicle dealers	87	9	7	10	5	8	..	3	3	1	4	2	..	4	..
Tire and battery shops	30	12	..	..	..	..	..	..	..	..	..	..	..	..	..
Filling stations	209	24	8	8	10	1	..	4	3	2	1	3	..	2	..
Garages	302	35	8	11	6	6	..	1	4	4	1	7	..	4	..
Bicycle and motorcycle	24	6	..	..	..	..	..	..	..	..	..	..	..	..	..
Aircraft and motorboat	5	2	..	..	..	..	..	..	..	..	..	..	..	..	..
Furniture and Household Materials	206	19	7	5	6	8	4	5	2	5	3	6	5	4	..
Furniture	96	6	..	..	..	..	..	..	..	..	..	..	..	..	..
Drapery, etc.	11	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Floor coverings	15	..	..	..	..	..	..	..	..	..	..	..	..	..	..
China, glassware	12	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Household appliances	25	4	..	..	..	..	..	..	..	..	..	..	..	..	..
Sundry	47	9	..	..	..	..	..	..	..	..	..	..	..	..	..
Food	6413	771	222	151	224	72	66	69	56	71	53	54	83	47	34
Bakeries*	76	18	..	..	..	4	1	..	1	3	..	..	1	..	..
Confectionery stores	2329	162	37	41	83	6	25	22	9	11	13	8	13	8	6
Dairy products	33	1	..	..	..	..	..	..	..	..	..	..	..	..	..
Eggs and Poultry	44	1	..	..	..	..	..	..	..	..	..	..	..	..	..
Milk dealers*	73	25	..	..	..	6	8	3	..	8	1	1	1	..	..
Delicatessen	51	..	..	..	5	..	..	..	..	..	..	..	..	..	..
Fruits and vegetables	159	10	6	..	..	2	1	1	1	4	..	..	8	..	..
Groceries	2755	403	131	88	109	45	20	36	33	37	28	33	48	26	22
Meat markets	836	142	42	15	25	9	9	6	12	7	11	11	11	13	6
Fish markets	29	2	1	..	1	..	..	..	..	..	..	..	..	..	..
Coffee, tea and spice	17	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Other	12	7	..	..	..	..	..	..	..	..	..	..	..	..	..
Restaurant	654	118	18	18	34	6	2	8	5	7	3	4	4	8	8
Restaurants	351	47	12	6	7	..	..	..	..	..	..	..	..	..	..
Lunch counters, etc.	303	71	6	12	27	..	..	..	..	..	..	..	..	..	..
Lumber and Building	389	56	10	16	14	10	5	8	11	7	4	6	..	4	4
Building and roofing materials	50	9	1	4	3	..	..	..	..	..	..	..	..	..	..
Electrical stores	27	3	1	2	2	..	..	..	..	..	..	..	..	..	..
Hardware stores	238	23	5	4	6	..	..	4	6	..	..	..	..	..	..
Plumbing, paint, etc.	74	21	3	6	3	..	..	..	..	..	..	..	..	..	..
Other Retail Stores	2325	276	73	63	45	38	29	24	34	24	24	24	28	17	21
Bookstores and libraries & stationery	108	7	..	..	..	..	..	..	..	..	..	..	..	..	..
Coal and wood dealers	316	37	14	8	14	6	7	7	4	..	3	5	4	..	..
Ice dealers	30	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Drug stores	381	37	11	11	4	3	..	4	4	..	3	4	..	..	..
Feed stores	17	11	2	2	..	..	..	..	..	..	..	..	..	..	..
Farm implements & machinery	26	..	2	2	..	..	..	..	..	..	..	..	..	..	..
Florists	96	6	..	..	..	..	..	..	..	..	..	..	..	..	..
Toy and gift shops	51	8	..	..	..	..	..	..	..	..	..	..	..	..	..
Jewellery	155	35	8	5	5	6	4	3	3	..	..	5	4	4	..
Leather, luggage and harness	27	6	..	..	..	..	..	..	..	..	..	..	..	..	..
Musical and radio	119	17	..	..	..	..	..	..	..	..	..	..	..	..	..
Office and store equipment	51	9	..	..	..	..	..	..	..	..	..	..	..	..	..
Opticians	42	5	..	..	..	..	..	..	..	..	..	..	..	..	..
Scientific and medical supplies	12	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Seeds, bulbs, etc.	10	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Sporting goods	16	1	..	..	..	..	..	..	..	..	..	..	..	..	..
Tobacco stores and stands	287	50	9	9	..	..	..	..	..	..	..	..	..	..	..
Not otherwise specified	†591	26	26	22	22	23	8	10	19	24	18	10	20	13	21
Secondhand	135	26	..	..	..	..	..	..	..	..	..	..	..	..	..
Auto parts	13	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Clothing	38	7	..	..	..	..	..	..	..	..	..	..	..	..	..
Furniture	23	8	..	..	..	..	..	..	..	..	..	..	..	..	..
Other	61	11	..	..	..	..	..	..	..	..	..	..	..	..	..

*Incomplete, as some bakeries and milk dealers make returns to Census of Industry.

†Includes 301 taverns and beer parlors.

Summary of Quebec Market (1930)

	Population	No. of Stores	No. of Employees	Salaries and Wages	Sales	Stocks on Hand	Sales per Capita
Montreal	975,161	13,038	52,601	$54,409,900	$410,594,200	$60,582,900	$421
Quebec	130,594	1,614	5,599	4,946,900	40,143,900	8,559,500	307
Three Rivers	35,450	423	1,229	1,057,100	9,869,300	1,803,200	279
Sherbrooke	28,933	366	1,138	1,140,600	9,545,100	1,899,500	330
Hull	29,433	402	881	651,500	5,999,900	1,077,400	204
St Hyacinthe	13,448	198	462	402,800	4,263,200	993,800	317
Valleyfield	11,411	142	361	304,900	3,914,700	894,700	343
St. Johns	11,256	168	359	301,900	3,361,200	738,200	298
Shawinigan Falls	15,345	158	367	319,100	3,132,100	832,900	204
Joliette	10,765	160	373	283,600	2,708,400	911,900	252
Chicoutimi	11,877	116	252	257,700	2,560,500	593,100	216
Levis	11,724	125	289	246,500	2,516,300	560,900	215
Sorel	10,320	162	280	191,300	2,292,700	501,200	222
Granby	10,587	121	214	189,800	2,112,900	547,700	200
Thetford Mines	10,701	104	223	179,600	1,906,000	402,100	178

Sunshine

Normal Monthly and Total Duration of Bright Sunshine in Hours

	Jan.	July	Total for Year
Cap Rouge	57	231	1,659
Farnham	79	226	1,736
La Ferme	92	232	1,684
Lennoxville	82	235	1,765
Montreal	77	245	1,829
Quebec	84	224	1,765
Ste. Anne de la Pocatière	91	247	1,862
Sherbrooke	70	248	1,789

Music Shops

MUSIC, MUSICAL INSTRUMENTS AND RADIO

	No. of Stores	Total Sales	Sales per Capita
Montreal	119	$7,867,000	$8.07
Quebec	17	504,100	3.86

Education

Five years and over	2,044,181
Read and write	1,814,953
Read only	17,955
Illiterate	211,273

Restaurants

	No. of Outlets	Total Sales	Per Capita
Montreal	654	$16,270,990	$16.69
Quebec	61	1,017,700	7.79
Three Rivers	18	218,400	6.16
Sherbrooke	17	234,800	8.12
Hull	24	197,200	6.70
St. Hyacinthe	6	62,800	4.67
St. Jean	8	39,500	3.51
Shawinigan Falls	5	41,900	2.73
Joliette	7	76,500	7.11
Chicoutimi	3	38,700	3.26
Levis	4	31,400	2.68
Sorel	4	10,900	1.06
Granby	8	51,000	4.82
Thetford Mines	8	34,400	3.21

Women's Wear

	No. of Stores	Total Sales	Sales per Capita
Montreal	199	$7,232,200	$ 7.43
Quebec	25	982,900	7.53
Sherbrooke	11	416,400	14.39
Sorel	5	60,600	5.87

Fur Shops

	No. of Stores	Total Sales	Sales per Capita
Montreal	97	$3,696,900	$3.79
Quebec	16	389,100	2.98

Grocery Stores

	No. of Stores	Total Sales	Sales per Capita
Montreal	2,775	$61,212,100	$62.77
Quebec	403	8,249,100	63.16
Three Rivers	131	1,558,700	48.97
Sherbrooke	88	1,906,300	65.89
Hull	109	1,847,800	62.75
St. Hyacinthe	45	504,100	37.49
Valleyfield	20	821,100	71.96
St. Johns	36	572,800	50.89
Shawinigan Falls	33	709,400	46.28
Joliette	37	553,200	51.39
Chicoutimi	28	268,700	22.62
Levis	33	600,400	51.21
Sorel	48	337,800	32.68
Granby	26	275,200	25.99
Thetford Mines	22	243,900	22.79

Custom Tailors

	No. of Stores	Total Sales	Sales per Capita
Montreal	241	$2,682,900	$2.75
Quebec	24	174,800	1.34
Three Rivers	4	41,400	1.17
Sherbrooke	4	29,800	1.03
St. Hyacinthe	5	23,800	1.77

NOTE

Material on the Quebec market, as set forth on this page, has been collected from official sources.

Much of the data have come from the Provincial Bureau of Statistics, while the records of the Dominion Bureau of Statistics and The Financial Post Business Year Book have been frequently consulted.

Men's Clothing

	No. of Stores	Sales	Sales per Capita
Montreal	326	$10,245,700	$10.50
Quebec	37	1,017,900	7.79
Three Rivers	10	323,100	9.11
Sherbrooke	9	332,100	11.48
Hull	10	126,000	4.28
St. Hyacinthe	7	207,400	15.42
Valleyfield	3	105,900	9.28
Joliette	3	36,000	3.34
Shawinigan Falls	4	113,300	7.38
Sorel	4	158,600	15.37

Furniture

	No. of Stores	Total Sales	Sales per Capita
Montreal	96	$7,824,700	$ 8.02
Quebec	6	380,900	2.92
St. Hyacinthe	4	164,700	12.25

Shoe Stores

	No. of Stores	Total Sales	Sales per Capita
Montreal	256	$7,782,800	$ 7.98
Quebec	31	575,100	4.40
Three Rivers	5	249,600	7.04
Sherbrooke	4	106,900	3.69
Hull	9	140,100	4.76
St. Hyacinthe	5	148,400	11.04
Joliette	3	148,700	13.85
Levis	4	59,000	5.08

Drug Stores

	No. of Stores	Total Sales	Sales per Capita
Montreal	381	$10,696,800	$10.97
Quebec	37	1,367,100	10.47
Three Rivers	11	230,900	6.51
Sherbrooke	11	271,700	9.39
Hull	4	57,400	1.95
St. Hyacinthe	3	92,400	6.87
St. Johns	4	147,800	13.18
Shawinigan Falls	4	97,900	6.38
Chicoutimi	3	49,600	4.18
Levis	4	73,700	6.29

Filling Stations

	No. of Stores	Total Sales	Sales per Capita
Montreal	209	$5,219,000	$5.36
Quebec	24	568,700	4.35
Three Rivers	8	182,200	5.14
Sherbrooke	8	148,600	5.14
St. Jean	4	73,100	6.49
Shawinigan Falls	3	23,700	1.54

Motor Dealers

	Motor Vehicles Outlets	Used Cars Outlets	Total Sales	Sales per Capita
Montreal	80	7	$24,850,700	$25.48
Quebec	9	.	2,504,600	19.18
Three Rivers	7	.	780,500	22.02
Sherbrooke	10	.	1,142,000	39.47
Hull	5	.	313,100	10.64
St. Hyacinthe	8	.	639,400	47.55
Chicoutimi	4	.	520,900	43.86
Granby	4	.	254,900	24.08

Meat Markets

RETAIL MEAT MARKETS WITH GROCERIES AND FISH MARKETS

	Meat Stores	Fish Stores	Total Sales	Sales per Capita
Quebec	142		$2,888,200	$22.12
Three Rivers	42	1	621,300	17.53
Hull	25	1	350,200	12.17
St. Johns	6	1	134,800	11.98
Joliette	7	1	127,000	11.80
Sorel	11	1	138,300	13.40

RETAIL MEAT MARKETS AND MEAT MARKETS WITH GROCERIES

	No. of Stores	Total Sales	Sales per Capita
Montreal	836	$25,386,000	$26.03
Sherbrooke	15	273,300	9.45
Granby	13	252,400	23.84
Thetford Mines	6	77,600	7.25

Departmental

DEPARTMENT AND GENERAL STORES WITH ANNUAL SALES OVER $100,000

	No. of Stores	Total Sales	Sales per Capita
Montreal	20	$71,819,100	$73.65
Quebec	8	3,965,100	30.36
Sherbrooke	6	1,006,400	34.78
Hull	11	319,500	10.86

Garages

	Garages No.	Others in Group No.	Total Sales	Sales per Capita
Montreal	301	1	$8,847,200	$9.07
Quebec	35	.	1,291,300	9.89
Joliette	4	.	24,500	2.28
Levis	7	.	263,700	22.49
Granby	4	.	96,000	9.07
Three Rivers	8	3	134,400	3.79
Sherbrooke	11	1	296,900	10.23
Hull	6	2	117,500	3.99

Millinery Shops

	No. of Stores	Total Sales	Sales per Capita
Montreal	214	$1,931,700	$1.98
Quebec	30	191,100	1.46
Three Rivers	7	37,700	1.06
Sherbrooke	9	30,000	1.04
St. Hyacinthe	6	25,800	1.92
Valleyfield	4	5,600	.49
St. Jean	4	18,000	1.60
Joliette	4	14,800	1.37
Levis	4	13,100	1.12
Granby	4	9,300	.88

Farm Poultry

1931	No.	Value
Hens	7,624,000	$6,099,000
Turkeys	150,000	360,000
Geese	74,000	118,000
Ducks	84,000	80,000
Total	7,932,000	$6,657,000

1932	No.	Value
Hens	8,113,800	$5,517,000
Turkeys	162,500	286,000
Geese	78,700	100,000
Ducks	90,100	77,000
Total	8,445,100	$5,980,000

Agricultural Wealth

1931

Lands	$ 546,666,000
Buildings	285,530,000
Equipment	111,940,000
Livestock	88,473,000
Poultry	6,657,000
Animals (fur)	3,000,000
Production	181,457,000
Total	$1,223,723,000

Gasoline

GASOLINE CONSUMPTION

1931	Gallons
Motor vehicles	91,816,749
Average	511
For all uses	97,608,511
1930	
Motor vehicles	83,231,068
Average	465
For all uses	88,681,459

Autos in Cities

Jan. 1, 1932

Montreal	65,321
Quebec	9,928
Sherbrooke	2,363
Verdun	3,343
Westmount	2,787
Three Rivers	2,411
Outremont	1,883
Hull	1,502
Lachine	1,272
Granby	992
Shawinigan Falls	971

Occupations

(Percentages)

	Male	Female
Agriculture	36.5	3.0
Building trades	12.3	...
Domestic service	3.1	37.1
Civil and munic. govt.	3.1	0.6
Fishing and hunting	0.8	...
Forestry	2.0	...
Manufacturers	19.6	33.5
Mining	1.0	...
Professional	2.9	15.2
Trade and merchandising	11.2	9.0
Transportation	7.5	1.6

Highways

	Miles
Improved earth	243
Gravel and crushed stone	12,591
Water-bound macadam	1,486
Bituminous macadam	235
Bituminous concrete	406
Cement concrete	129
Total surfaced	15,099

Farm Products

	Bushels 1931	Bushels 1932
Wheat	798,000	952,000
Oats	47,223,000	51,024,000
Barley	2,449,000	2,938,000
Spring Rye	86,000	98,000
Peas	282,000	320,000
Beans	117,000	36,000
Buckwheat	2,368,000	2,794,000
Mixed grains	2,687,000	3,010,000
Flaxseed	16,000	14,000
Corn, husking	183,000	......
	Cwts.	Cwts.
Potatoes	16,897,000	11,475,000
Turnips, etc.	6,640,000	8,778,000
	Tons	Tons
Hay and clover	5,618,000	4,837,000
Alfalfa	32,000	33,500
Fodder corn	469,000	497,000

Tourists

TOURIST AUTOMOBILES

	24 Hours	60 Days	Up to 6 Months
1926	97,354	164,047	376
1927	191,438	190,261	655
1928	193,811	271,871	91
1929	203,668	319,942	215
1930	268,538	380,020	1,412
1931	244,770	400,748	417

SPENT BY TOURISTS IN QUEBEC HOTELS

1929	$9,209,000
1930	8,657,000

Forestry

VALUE OF PRODUCTION

1930	58,102,453
1929	62,330,263
1926	67,066,982
1923	52,390,625
1920	86,422,728
1917	35,586,195

TIMBER CUT, M.F.B.M.

1930	1,893,713
1929	1,708,580
1927	2,225,259
1925	1,681,481
1923	1,725,065
1921	1,905,253

PRINCIPAL PRODUCTS, 1930

Timber cut, F.B.M.	1,893,713,020
Shingles, No.	107,251,259
Ties, No.	1,107,294
Pulpwood, cords	1,514,209
Poles, No.	48,005
Posts, No.	204,152
Laths, M.	68,746,150
Firewood, cords	66,634
Spoolwood, cords	6,383

Crop Values

	1931	1932
Wheat	$ 614,000	$ 762,000
Oats	17,945,000	16,369,000
Barley	1,371,000	1,557,000
Rye	60,000	67,000
Peas	412,000	481,000
Beans	213,000	56,000
Buckwheat	1,368,000	1,593,000
Mixed grains	1,397,000	1,384,000
Flaxseed	32,000	24,000
Corn, husking	168,000	......
Potatoes	8,617,000	7,229,000
Turnips, etc.	2,855,000	3,248,000
Hay and clover	36,517,000	34,343,000
Alfalfa	267,000	285,000
Fodder corn	1,642,000	1,492,000

Dairy Products

	1930	1931
Dairy butter	$4,333,000	$3,312,000
Creamery butter	18,358,844	14,970,698
Home-made cheese	16,000	29,000
Factory cheese	5,122,443	2,905,855
Misc. products	2,567,023	2,511,183
Fresh milk	52,018,000	15,433,000
All products	82,415,310	39,161,736

Milk Production

1931	Lb.
Total output	3,675,908,000
Made into—	
Dairy butter	328,058,000
Creamery butter	1,630,589,000
Home-made cheese	2,744,000
Factory cheese	290,166,000
Misc. products	26,309,000
Consumed fresh	1,403,042,000

PER CAPITA CONSUMPTION OF FRESH MILK
1931
490 lbs. annually.

Apple Production

(Commercial Crop) In Barrels

1926	111,600
1927	104,600
1928	105,950
1929	187,180
1930	129,000
1931	154,300
1932	154,000

Tobacco

OUTPUT IN 1932

	Lbs.
Cigar leaf	4,138,500
Large pipe	2,961,000
Small pipe	852,500
Total	7,952,000

Maple Sugar

	Quantity Lb.	Value
1927	9,104,174	$1,183,543
1928	13,090,029	2,094,405
1929	11,112,534	2,000,256
1930	7,576,204	1,212,193
1931	4,726,000	756,000
1932	6,681,000	585,000

Maple Syrup

	Quantity Gallons	Value
1927	1,423,986	$1,922,381
1928	909,646	1,510,012
1929	1,666,880	2,767,021
1930	1,538,199	2,399,590
1931	737,000	1,061,300
1932	1,142,000	1,142,000

Fertilizer

SALES IN 1930 AND 1931

	Tons 1930	1931
Nitrate of soda	812	894
Sulph. of ammonia	3,812	2,543
Nitrochalk	......	47
Calcium nitrate	116	56
Bone phosphate	1,387	......
Superphosphate	20,880	25,776
Basic slag	10,707	5,309
Bone meal	9	38
Bone flour	46	105
Muriate of potash	1,875	2,006
Sulphate of potash	145	144
Potash manure salts	50	......
Tankage	480	25
Sheep manure	8	44
Other	23	70
Total fertilizer	39,370	37,057
Total mixed	16,174	20,686
Grand total	55,544	57,743

Fur Farming

1929	
No. of farms	1,537
Value of land, etc.	$1,597,628
Value of animals	$5,120,498
1930	
No. of farms	1,996
Value of land, etc.	$1,698,964
Value of animals	$3,686,377

Quebec Merchandise Sales (1930)

	Automotive	Food	General Merchandise	Apparel	Lumber	Furniture	Restaurant
Montreal	$40,402,300	$120,199,600	$71,819,100	$40,104,100	$18,570,300	$11,452,300	$16,270,900
Quebec	4,756,300	3,721,400	12,649,900	656,100	6,987,900	2,378,600	2,118,700
Three Rivers	1,097,100	2,528,100	1,658,700	1,206,600	586,300	392,000	218,400
Sherbrooke	1,586,500	2,569,100	2,275,800	1,021,200	641,500	68,100	250,100
Hull	576,300	2,448,700	773,200	389,800	434,300	32,400	378,700
St. Hyacinthe	774,900	830,600	389,300	527,100	371,900	288,400	62,800
Valleyfield	324,200	1,031,100	541,900	376,100	336,800	187,100	....
St. Johns	628,100	235,100	428,100	379,400	126,400	304,100	39,500
Shawinigan Falls	256,700	1,079,600	502,200	321,400	389,400	....	41,900
Joliette	197,300	797,900	460,700	354,200	401,400	69,000	76,500
Chicoutimi	608,300	643,700	490,400	276,200	140,300	130,100	38,700
Levis	539,800	781,500	136,300	119,200	93,700	143,400	31,400
Sorel	213,600	532,700	475,400	465,600	....	79,700	10,900
Granby	393,400	592,500	430,600	284,900	20,100	101,900	51,000
Thetford Mines	280,400	342,300	683,100	244,700	111,400	....	34,400

Bank Chat on Current Topics

What Interest Cuts Mean to Banks

BANKS may save $5,000,000 per annum interest on deposits because of the cut in the rate to 2½ per cent. This estimate is based on the assumption that interest is paid on three quarters of the total deposits.

Reduction of the rate on Finance Act advances, from 3½ to 2½ per cent from May 1, may allow banks to save another $350,000 per annum on their borrowings under the act. The two chief reductions in the cost of money to banks may be estimated to save about $5,350,000 per annum.

Against this reduction in costs, the banks have one great offsetting item. The transfer of about $350 millions of assets from commercial loans into bonds in the last three years is probably costing the banks about $5,000,000 a year. This estimate is based on the assumption that the banks are getting about 1½ per cent less interest on the $350 millions which have been transferred into bonds.

If the interest rate on all bank loans to provinces and municipalities were reduced by one-half per cent per annum, it would cost the banks about $700,000 a year. These loans totalled slightly less than $140,000,000 at Feb. 28, the last bank return available.

Against total savings in costs of $5,350,000, therefore, the banks may possibly suffer $5,700,000 in loss of income. Any further adjustment of loan rates would be costly to the banks.

It is true that the adjustments of deposit interest and the Finance Act rate tend to restore the earnings position of the banks to the 1930 level. But this is offset by the steadily increasing holdings of bonds and the continually declining level of commercial loans.

* * *

Deposits in 1700 A.D.

LAST week we gave some particulars of the operations of the Bank of Hamburg about the year 1700. We omitted to mention that the bank paid no interest at all on any form of deposit at that time.

The Bank of Amsterdam, which was considered the finest and safest bank in Europe in the late seventeenth century, actually charged depositors 1/16 of one per cent per annum for depositing money. The bank was not doing a banking business as we know it today. Deposits were simply placed with the bank for safekeeping. The bank was a safety deposit vault.

This is the type of banking which Henry Ford recently advocated for the United States. It is not banking at all. It is merely rental of safety deposit facilities; burying the talent.

* * *

Staff Changes

The Royal Bank announces the following recent staff appointments:

M. G. SMITH, Lethbridge, to be manager at Clyde, Alta.

H. L. MANN, accountant at Panama, to be manager at Colon, R.P.

D. F. DUKE, manager at Lancer, to be manager at Abbey, Sask.

O. F. SPRINGER, manager at Abbey, to be manager at Eatonia, Sask.

B. S. GRIFFIN, manager at Eatonia, to be manager at Tessier, Sask.

H. L. AUSTIN, manager at Quebec, Upper Town, to be manager at Sherbrooke, Que.

H. B. WILSON, manager at Sherbrooke, Que., to be manager at Montreal, Que., Peel and Sherbrooke branch.

J. J. KEYES, formerly manager, Montreal, Peel and Sherbrooke, Que., has retired on pension.

Weekly Bank Clearings

	May 4 1933 $	Change year ago %	Apr. 27 1933 $
Toronto	107,771,187	+20.6	96,486,982
Montreal	99,977,684	+ 9.1	76,681,029
Halifax	2,403,310	—24.7	1,807,387
St. John	1,700,735	—14.6	1,289,231
Moncton	622,949	—24.7	662,377
Sherbrooke	635,410	+ 6.7	511,054
Quebec	4,682,064	+ 3.6	3,254,389
Ottawa	4,782,681	— 6.9	3,581,905
Kingston	573,820	— 1.8	437,803
Peterboro	614,421	— 9.3	467,853
Hamilton	3,783,302	—26.3	3,096,660
Kitchener	865,996	—23.6	689,842
Brantford	783,686	—12.6	676,255
London	3,007,774	— 3.3	2,244,866
Chatham	426,835	— 4.0	366,000
Windsor	2,373,403	—14.6	2,050,188
Sarnia	421,400	— 0.1	373,840
Sudbury	524,499	— 0.9	561,633
Ft. William	608,236	—11.4	414,018
Regina	3,951,276	—19.0	2,807,378
Moose Jaw	555,231	—16.6	396,672
Saskatoon	985,221	—34.0	1,001,533
Pr. Albert	255,948	—21.4	198,291
Edmonton	3,537,096	—10.5	3,098,991
Calgary	5,256,710	+13.2	4,870,586
Medicine Hat	176,300	—12.7	168,305
N. W'minster	460,429	—13.7	378,632
Vancouver	12,928,610	— 6.6	11,667,087
Victoria	1,388,172	—19.6	1,187,458
Brandon	314,520	—21.7	259,765
Lethbridge	334,344	— 9.0	268,818
Winnipeg	85,153,142	+74.2	63,238,662

AN INVESTMENT returning you $100.00 for investing $78.12 for 5 years

FOUNDED 1855

Canada Permanent accumulative bonds with interest at 5% per annum compounded half-yearly offer an attractive opportunity for the safe and remunerative investment of sums large or small.

CANADA PERMANENT Mortgage Corporation

320 Bay Street, Toronto

Assets exceed $70,000,000

Current Events in Banking World

MANUFACTURER SAYS SECTION 88 HARD ON VENDOR

Feels Cards Stacked Hopelessly in Favor of Banks

BANK COMPROMISED

Could Not Say Client's Credit Not Good; Could Have Been Non-Committal But Was Not

A Canadian manufacturer criticizes section 88 of the Bank Act as "stacking the cards hopelessly in favor of banks to the detriment of trade creditors in insolvencies." He says it cost him a substantial sum in a recent failure.

The manufacturer in question was about to sell a bill of goods to a customer of the bank. He asked the bank if the buyer was a good risk. The bank said "yes." Four weeks later the buyer failed. The vendor found that the inventories of the insolvent had been pledged to the bank under section 88 of the Bank Act. The bank had been carrying the buyer on section 88 loans for some time.

The manufacturer feels his loss was aggravated by assurance from the bank, of which he also was a customer, that the debtor was a good risk.

The point is, of course, that once inventories are pledged under section 88 the bank becomes a preferred creditor. The bank distinctly does not rank with the trade creditors, as far as the inventories are concerned.

Covered in 1923 Revision

The major change in section 88, at the time of the 1923 revision, was made to cover just this situation.

British vendor-manufacturers had complained that they sold goods to Canadian firms, which later failed, and the vendors then found they only had a claim on the goods which they themselves had supplied after the section 88 loans of the banks were satisfied.

The much-abused section was revised in 1923 to include the provision that any one intending to borrow under the section must register such intention with the nearest Assistant Receiver General's office. This record is kept. It is open to any person. It is only necessary to pay a small fee to learn whether a specific firm intends to borrow under section 88. It was decided that it would not be advisable to enforce registration of the amounts of the section 88 loans. The reasons for this decision were twofold. First, intending borrowers would object to having their personal position constantly being given publicity. Second, it was claimed the extra work of changing the registrations all the time would swamp the banks under a mass of detail.

"Substantially Met" Objections

Sir Frederick Williams-Taylor, at the time president of the Canadian Bankers' Association, stated that the British complainants agreed that the provision for registration of intention "substantially met the objection of British vendors of goods in this country." He also pointed out that the British vendors had made two further suggestions. They were:

1. That every advance of money and taking of security under the section should be registered.

2. That there should also be no title to the goods vested in the buyer until the goods were paid for, unless registration of particulars of advances made against bills of lading and warehouse receipts had been made.

Sir Frederick said that registration itself was part of the answer to the first request. If any more information was desired, the vendor could require production by his customer of a settlement from the banker whose lien is registered.

Of the second suggestion, Sir Frederick said it would "rob of its character as negotiable security what has, in all commercial countries for the past two hundred years, been regarded as giving absolute and unqualified title. He pointed out that it would give the vendor of goods to Canadian firms a preferred position, ahead of other trade creditors. He observed also that it would not give Canadian vendors in Great Britain or the United States any such advantage.

Manufacturer's Neglect

To get back to our original complaining manufacturer, when he asked the bank whether or not the buyer was a good risk, the bank was obviously in an embarrassing position. The bank was almost obliged to say "yes," which it did. The bank could not very well say "no." It might be doing an injustice to the buyer. It would certainly be harming its own debtor's credit. It might be making a libellous statement. But it could, perhaps, have been non-committal.

The bank, in this particular case, had apparently been carrying the debtor on section 88 loans for some time. The bank must have had some knowledge that the buyer's affairs were not completely satisfactory, since the failure took place only four weeks after the enquiry was made. The sale of additional goods to the debtor strengthened the bank's position by increasing its equity in the inventories.

The manufacturer contends that section 88 unfairly compromises the bank's position, and does not allow business to be carried on properly in some cases. There appears to be little doubt that the bank was much compromised in this instance.

The bank could, however, have taken a non-committal stand on the question of the solvency of the buyer, when requested by the vendor for information. But it is often true that faint praise is just as damning as condemnation. The bank might have hurt its debtor's standing by refusing to give an opinion.

Circulation Increase May Indicate Hoarding

Canadian Bank Statement for March Shows Deposits Unchanged — Credit Index Only Slightly Lower — Provincial and Municipal Loans Rise

While banks in the United States were passing through a period of crisis in March and banking operations were either stopped or greatly curtailed, Canadian banks continued the even tenor of their way and the statement of the chartered banks at March 31 shows no marked change in trends. Demand and savings deposits were practically unchanged and call loans and current loans in Canada showed small decline with the result that The Financial Post bank credit index was practically unchanged at 55.2 as compared with 55.4 at the end of February. Increase of $8,994,408 in notes in circulation is not accounted for by seasonal trend and may indicate some hoarding in Canada.

With the market practically closed to new provincial and municipal financing the banks continued to increase their loans to this type of borrower with provinces taking an additional $6,645,734 and municipalities $9,371,268 more. Given an improved market for high-grade securities in Canada the bank advances to provinces and municipalities will be substantially reduced and reductions will also be made.

Liquid Assets Improved

Immediately available liquid resources show slight improvement for the second consecutive month a reduction of $10,206,464 in the amount due from foreign banks being offset by increase of $10,617,512 in foreign currency. Holdings of gold and other coin and of Dominion notes were lower while deposits in the central gold reserve, call loans abroad and government security holdings were increased.

Comparison of the position of the Canadian chartered banks at the end of March with their position at the end of February, 1933, and March, 1932, has been compiled by The Financial Post as follows:

ASSETS	Mar., 1933 $	Feb., 1933 $	Change $	Mar., 1932 $	Change $
Immediately Available Liquid Resources					
Specie	54,735,607	60,367,526	—5,631,919	58,702,197	—3,966,590
Dom. notes	138,761,399	140,769,571	—2,008,172	116,934,203	+21,827,196
Gold reserve	22,331,732	19,081,732	+3,250,000	23,631,732	—1,300,000
Foreign banks	86,837,186	97,043,050	—10,206,464	95,864,410	—9,027,224
Foreign curr.	27,295,452	16,677,940	+10,617,512	14,378,253	+12,917,199
Govt. secs.	584,344,682	581,282,145	+3,062,537	466,398,513	+117,946,169
Call loans ab'd.	78,574,588	76,287,191	+2,287,397	88,133,989	—9,559,401
	992,880,646	991,509,755	+1,370,891	864,043,297	+128,837,349
Loans and Securities Other Than Those of Canadian Government					
Public secs.	165,209,775	168,493,509	—3,283,734	144,773,321	+20,436,454
Railway secs.	43,289,582	47,676,945	—4,387,363	60,390,115	—17,100,533
Can. call loans	96,053,800	97,166,190	—1,112,390	130,714,542	—34,660,742
Current loans	924,913,714	923,764,135	+1,149,579	1,070,518,920	—145,600,206
Loans abroad	151,384,820	155,162,061	—3,777,241	188,761,877	—37,377,057
Prov. loans	31,241,471	24,595,737	+6,645,734	43,993,240	—12,751,769
Mun. loans	130,170,338	120,799,070	+9,371,268	149,146,494	—18,975,156
	1,542,263,500	1,537,657,647	+4,605,853	1,788,295,509	—246,032,009
Other Assets					
Non-curr. loans	14,368,038	13,778,175	+589,863	10,955,241	+3,412,797
Real estate	7,588,081	7,623,419	—35,338	6,782,269	+805,812
Mortgages	6,364,830	6,387,652	—22,822	6,271,389	+93,441
Premises	79,042,347	79,248,175	—205,828	79,833,529	—791,182
Lets. of credit	45,892,441	41,999,250	+3,893,191	51,159,984	—5,267,543
Loans to comp.	13,522,766	12,965,722	+557,044	13,030,639	+492,127
Other assets	1,845,356	1,549,521	+295,835	1,486,862	+358,494
	168,623,859	163,551,914	+5,071,945	169,519,913	—896,054
Total	2,703,768,005	2,692,719,316	+11,048,689	2,821,858,719	—118,090,714
Note cir. dep.	6,612,220	6,605,675	+6,545	6,833,782	—221,562
Int. bank bal.	80,181,696	82,639,932	—2,458,236	97,173,485	—16,991,789
Gross	2,790,561,921	2,781,964,923	+8,596,998	2,925,865,986	—135,304,065
LIABILITIES					
To the Public					
Circulation	130,135,230	121,140,822	+8,994,408	132,568,016	—2,432,786
Dom. Govt.	20,900,171	26,278,504	—5,378,333	86,112,287	—65,212,116
Prov. Govt.	19,430,651	18,813,775	+616,876	20,966,368	—1,535,717
Govt. advances	48,444,000	41,944,000	+6,500,000	32,000,000	+16,444,000
Deposits by Public					
Demand dep.	453,558,077	445,859,615	+7,698,462	500,476,262	—46,918,185
Savings dep.	1,389,114,966	1,397,063,161	—7,948,195	1,388,522,723	+592,243
Total	1,842,673,043	1,842,922,776	—249,733	1,888,998,985	—46,325,942
Foreign dep.	300,386,817	309,736,501	—9,349,684	308,121,620	—7,734,803
Due to Banks Abroad, Etc.					
Un. Kingdom	3,944,248	3,722,453	+221,795	5,824,900	—1,880,652
Foreign	44,366,871	40,557,241	+3,809,630	56,600,150	—12,233,279
Bills payable	633,582	585,555	+48,027	1,846,815	—1,213,233
Lets. of credit	45,892,441	41,999,250	+3,893,191	51,159,984	—5,267,543
Other liab.	2,359,957	2,569,532	—209,575	2,909,109	—549,152
Public liab.	2,459,167,011	2,450,265,409	+8,901,602	2,587,108,234	—127,941,223
Due bet. banks	10,548,727	10,883,831	—335,104	10,138,276	+410,451
Liability to Shareholders					
Dividends	740,324	2,986,024	—2,245,700	820,044	—79,720
Reserve	162,000,000	162,000,000	....	162,000,000	....
Capital	144,500,000	144,500,000	....	144,500,000	....
Gross	2,776,956,062	2,770,635,264	+6,320,798	2,904,566,554	—127,610,492
Credit index*	55.4%	55.4%	....	63.5%	8.1%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

"Real" Savings of Citizens Have Dropped, Says Banker

Savings deposits in Canada may not be quite what they seem to many Canadian organizations which have been using them to indicate a vast untapped reservoir of purchasing power belonging to the man on the street. One leading bank official recently intimated to The Financial Post that "real" savings of the average citizen have been shrinking rapidly. But he suggested that savings deposits are being maintained chiefly by corporations, not a few of them American, which are holding substantial balances as savings.

The meaning of this would appear to be that a good portion of what have been mistakenly considered "real" savings are actually demand balances which have found their way into notice, or savings, accounts.

Changes in demand and savings deposits, as shown by the last bank statement at March 31, 1933, are as follows:

Changes in Demand and Savings Deposits in Canada During March, 1933

	Total at Mar. 31, 1933 $	Change from Feb. 28, 1933 $
Demand deps.	453,558,077	+7,698,462
Savings deps.	1,389,114,966	—7,948,195
Total	1,842,673,043	—249,733

The above tabulation shows that there was relatively little change in the total of the two classes of deposits, but that there was a change in their nature. The reverse process is what this banker believes has been taking place. He thinks a substantial proportion of what would normally be demand deposits have been getting into savings accounts.

Reasons for American firms leaving funds in savings accounts in Canada are various. First, there has been uncertainty about the security of many United States banks. Second, there has been an unprofitable exchange rate. Third, surpluses held here may be largely seasonal.

One fact seems clear, if this leading bank official is correct. The "real" deposits of the average citizen have not been a factor in maintaining savings deposits in Canada. Thus, the savings deposits may not represent maintenance of individual purchasing power. But it may mean that corporate purchasing power is better than has been realized. It is certain that someone has the credits.

BANK DEBITS IN WESTERN CANADA REGISTER GAINS

Total for First Quarter is 6.5 p.c. Under Same Period in 1932

Bank debits in Canada declined 5.1 per cent in March after seasonal adjustment although the prairie provinces registered an increase of 48.7 per cent. Decline of 8.9 per cent in the maritimes, around 10 per cent in Quebec and 13.9 per cent in Ontario offset the increased activity in the West. British Columbia also showed a decline of 9.7 per cent. The drop in March followed a gain of six per cent registered in February.

In the first quarter of 1933 debits totalled $5,686,500,000. This compares with $6,085,100,000 in the corresponding period of 1932. Quebec, Toronto and Winnipeg were the only centres to show improvement over 1932 figures, Winnipeg registering a gain of 13.1 per cent largely as a result of a gain of 51.4 per cent in March. For the quarter the maritime provinces show a decline of 17.9 per cent; Quebec dropped 9.4 per cent and Ontario 5.5 per cent. As a result of the gain in Winnipeg, due to increased grain trading activities, the prairie provinces showed a gain of under one per cent while British Columbia debits dropped 16.2 per cent.

Velocity of Circulation Down

Ratio of bank debits in March to bank deposits at the end of February was 102.4 per cent as compared with 107.4 per cent in March, 1932. Debits dropped 6.8 per cent in the intervening period while deposits dropped 2.3 per cent.

Bank debits in the first quarter of 1933 compared with debits in the corresponding quarter of 1932 by clearing house centres are as follows:

BANK DEBITS TO INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE CENTRES OF CANADA DURING THE FIRST QUARTER OF 1933, COMPARED WITH THE SAME PERIOD OF 1932.

	First Quarter of 1932 $	First Quarter of 1933 $	% of 1933 to 1932 %
Maritime Provinces:			
Halifax	59,474,183	53,055,262	89.2
Moncton	19,531,580	16,415,576	84.0
Saint John	50,226,666	36,569,517	72.8
Total—Maritime Provinces	129,232,428	106,040,355	82.1
Quebec:			
Montreal	1,736,202,288	1,560,546,940	89.9
Quebec	126,913,642	128,415,555	101.2
Sherbrooke	17,411,815	14,365,675	82.5
Total—Quebec	1,880,527,745	1,703,328,170	90.6
Ontario:			
Brantford	19,972,260	17,064,620	85.4
Chatham	15,792,702	13,194,801	83.5
Fort William	11,589,732	11,103,702	95.8
Hamilton	134,050,863	93,422,278	69.7
Kingston	12,160,011	11,161,819	91.8
Kitchener	23,941,156	20,774,640	86.8
London	77,560,158	69,232,689	89.3
Ottawa	372,023,801	248,658,632	66.8
Peterborough	14,761,361	10,485,154	71.0
Sarnia	19,714,132	17,301,030	87.8
Sudbury	10,085,188	8,096,528	80.3
Toronto	1,880,695,149	1,933,445,059	102.8
Windsor	53,334,987	47,101,876	88.3
Total—Ontario	2,645,681,500	2,501,042,828	94.5
Prairie Provinces:			
Brandon	7,927,065	5,840,872	73.7
Calgary	123,502,310	114,314,232	92.6
Edmonton	115,458,668	89,698,204	77.7
Lethbridge	7,810,007	7,010,210	89.8
Medicine Hat	5,055,002	4,272,356	84.5
Moose Jaw	14,614,003	10,431,829	71.4
Prince Albert	5,173,798	3,955,663	76.5
Regina	104,908,946	81,631,286	77.8
Saskatoon	26,971,677	20,806,617	77.1
Winnipeg	629,799,649	712,389,913	113.1
Total—Prairie Provinces	1,041,221,125	1,050,361,182	100.9
British Columbia:			
New Westminster	12,960,050	10,149,421	78.3
Vancouver	306,808,298	258,823,015	84.4
Victoria	68,687,372	56,741,185	82.6
Total—British Columbia	388,455,720	325,713,621	83.8
Grand total for Canada	6,085,118,518	5,686,476,156	93.4

What Editors Say of Banks

It's Not Their Money

Ottawa Evening Journal.—The three chief things which a country has a right to demand of its banking system are: (1) safety, (2) mobility of funds, and (3) availability of credits. The trouble in most countries—it is one of the troubles in Canada—is that people, especially in hard times, are prone to stress only the availability of credits. People think, or appear to think, that banks have money of their own. It is among the greatest fallacies of all the folly that is talked about banking.

Banks have no money of their own. All that they have is the money that is given them by depositors for safe-keeping, and their first duty is to keep it safely. Henry Ford put the thing in a nutshell the other day when he said:

"The first duty of a bank is to be a safe repository for money. . . . It's just as if I put my car in a garage and when I came to get it I found somebody else had borrowed it and run it into a tree."

Listening to some of our pseudo-economists—there are some of them in Parliament—one might think that the sole task of a bank was to loan money, to extend lavish credits. The actual truth is that there has been too much lending of money; too much borrowing, too much extension of credit. We all have been living—and sometimes speculating—with money that didn't belong to us.

AN ALL-CANADIAN INSTITUTION

1866 1933

SERVING A GREAT CITY IN 1886

Almost half a century ago, in 1886, this Company engraved an issue of bonds for the City of Montreal. Throughout the years, since before Confederation, safety requisites have been provided to cover municipal financing. Today the Company is engraving debentures for municipalities all over Canada.

British American Bank Note Company Limited

1112 Bank of Hamilton Bldg. TORONTO

HEAD OFFICE OTTAWA

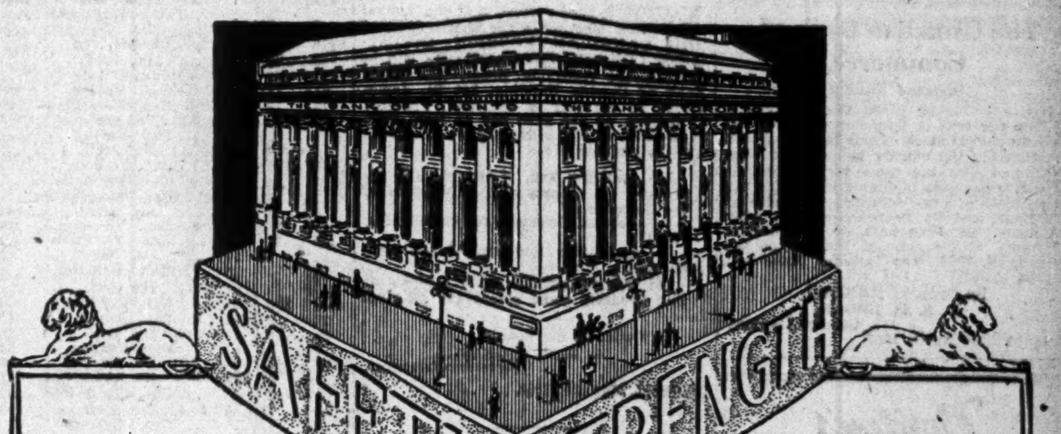
511 Place d'Armes MONTREAL

INDUSTRIAL ACCEPTANCE CORPORATION Limited

Commercial and Industrial Bankers

Head Office — Montreal, Que.

WHEN REMITTING SEND CANADIAN NATIONAL EXPRESS MONEY ORDERS



A SAFE SECURE DEPOSITORY

OVER three-quarters of a century ago, The Bank of Toronto was founded "to provide a safe, secure depository for the funds of this young country in the making."

The Bank of Toronto has expanded since 1855 to its present nation-wide structure, yet it has never swerved from the fundamental policy of stability and protection of clients laid down by its founders. Through good times and bad it has followed the principles of sound, conservative banking. With assets of over $114,000,000, with deposits of over $88,000,000, and with reserves one and a half times greater than capital, the strength and soundness of this Bank have never been so evident as in these trying times.

• • •

Such a record merits your confidence. You are invited to make use of the strength and service of this Bank.

1855 1933

THE BANK OF TORONTO

Established 1855

3310

Position of Chartered Banks of Canada as of March 31, 1933, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Balance Due to Dominion Government	Advances under Finance Act	Balances Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable
	$	$	$	$	$	$	$	$	$	$	$
Montreal	33,967,703	12,823,596	9,000,000	3,072,139	126,656,762	395,522,074	64,874,179	3,074,354	1,174,592	7,894,684	14,201
Nova Scotia	10,942,005	828,061	3,214,000	455,545	27,339,475	135,063,625	34,725,880	1,566,742	89,894	1,604,122	139,523
Toronto	5,842,209	1,002,641	1,500,000	1,142,584	19,634,419	60,557,055	....	472,627	280,946	1,484,877	....
Provinciale	3,389,642	400,829	600,000	55,234	3,735,217	31,504,288	....	....	....	27,033	....
Commerce	23,909,880	596,920	7,000,000	2,720,723	102,066,519	288,402,826	36,642,857	2,401,438	400,988	8,191,511	388
Royal	29,472,502	2,431,882	20,000,000	6,434,678	112,021,211	261,420,404	161,772,498	1,014,355	230,968	21,664,293	479,470
Dominion	6,046,540	804,291	1,456,000	647,290	23,027,915	61,435,432	1,259,781	609,557	68,882	899,142	....
Nationale	8,518,284	940,843	4,000,000	1,143,331	15,414,403	79,046,855	1,111,622	444,406	8,093	195,270	....
Imperial	7,781,840	861,585	1,590,000	3,006,864	22,569,552	74,545,510	....	878,649	164,224	1,156,514	....
Barclays (Canada)	264,625	209,523	84,000	152,243	1,092,604	1,616,897	....	86,599	1,525,661	1,249,425	....
Total	130,135,230	20,900,171	48,444,000	19,430,651	453,558,077	1,389,114,966	300,386,817	10,548,727	3,944,248	44,366,871	633,582

NAME OF BANK	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorized	Capital Subscribed	% Last dividend	*Loans to Directors and firms of which they are partners	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Circ.
	$	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	5,600,673	1,613,054	27,300	38,000,000	36,000,000	739,914,335	50,000,000	36,000,000	10	2,369,671	17,306,945	58,366,287	33,967,703
Nova Scotia	4,872,794	235,501	422,983	24,000,000	12,000,000	257,500,157	15,000,000	12,000,000	14	2,703,952	9,813,116	13,917,882	11,150,741
Toronto	635,055	97,274	3,950	9,000,000	6,000,000	107,653,640	10,000,000	6,000,000	10	1,071,458	374,900	4,892,300	5,996,425
Provinciale	10,063	306	8,127	1,500,000	4,000,000	45,230,743	5,000,000	4,000,000	7	542,803	237,469	416,425	3,497,362
Commerce	10,588,229	....	33,584	30,000,000	30,000,000	542,955,868	50,000,000	30,000,000	10	4,520,227	14,162,000	30,314,000	24,158,992
Royal	21,836,757	60,811	57,018	35,000,000	35,000,000	708,896,853	50,000,000	35,000,000	10	2,676,094	10,675,045	12,450,726	29,596,327
Dominion	1,365,738	353,965	176,451	9,000,000	7,000,000	114,150,989	10,000,000	7,000,000	10	1,180,464	640,000	3,291,000	6,183,930
Nationale	247,212	....	7,282	7,000,000	7,000,000	125,077,606	10,000,000	7,000,000	10	433,823	985,926	1,223,674	8,519,379
Imperial	714,607	....	3,629	8,000,000	7,000,000	128,272,979	10,000,000	7,000,000	10	413,667	505,125	4,219,334	7,837,058
Barclays (Canada)	21,313	....	....	500,000	500,000	7,302,892	500,000	500,000	......	....	11,397	177,272	271,190
Total	45,892,441	2,359,911	740,324	162,000,000	144,500,000	2,776,956,062	210,500,000	144,500,000	......	15,912,159	55,211,923	129,268,800	131,179,347

* And loans for which they are guarantors.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from other banks in Canada	Due from banks in U.K.	Due from banks elsewhere	Government securities	Canadian municipal British and foreign securities	Railway and other bonds and Stocks	Call loans in Canada	Call loans elsewhere
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	18,003,749	59,066,823	1,713,672	422,068	16,503,940	1,561	2,108,212	18,891,625	227,034,946	55,662,035	2,354,762	3,858,776	20,576,031
Nova Scotia	9,818,904	12,260,693	578,647	3,951,809	6,291,349	....	1,734,719	3,231,550	48,748,957	19,125,434	7,928,013	11,247,342	2,119,257
Toronto	382,157	6,281,675	391,730	14,272	4,062,844	....	2,010,488	925,649	31,856,743	7,203,734	1,455,177	4,508,836	....
Provinciale	248,258	406,525	301,600	12,845	1,138,675	1,814,434	1,530	46,800	9,242,815	4,573,150	3,419,193	4,514,335	....
Commerce†	12,490,839	28,968,445	1,252,105	1,875,670	12,416,298	12,561	1,998,934	9,563,196	103,432,030	36,434,284	12,364,101	28,332,296	16,882,125
Royal‡	11,652,084	22,961,707	1,830,764	20,904,799	15,916,751	314	2,036,559	37,964,023	84,578,028	21,430,343	9,685,684	26,198,491	37,723,951
Dominion	637,447	3,634,097	436,680	43,567	3,167,085	....	117,716	1,126,180	25,468,227	4,803,034	2,526,664	6,699,026	1,273,224
Nationale§	991,211	1,192,890	413,830	54,470	2,752,666	258,325	36,016	402,696	26,022,425	9,956,215	3,363,936	5,172,439	....
Imperial	498,809	3,688,216	518,625	15,422	5,921,995	612,862	703,436	1,284,506	27,435,202	5,933,853	160,727	5,525,709	....
Barclays (Canada)	12,149	300,338	17,525	530	248,120	1,605,538	2,505,669	147,664	525,309	88,193	31,325	66,550	....
Total	54,735,607	138,761,399	7,455,178	27,295,452	68,419,823	4,306,695	13,253,279	73,583,007	584,344,682	165,209,775	43,289,582	96,053,800	78,574,588

NAME OF BANK	Other current loans in Canada	Other current Loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves	Shares of and loans to controlled companies	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	213,076,942	17,331,840	10,352,744	41,887,274	4,246,263	529,092	1,197,778	14,500,000	5,600,673	1,542,872	1,000,000	201,612	392,717	742,058,119
Nova Scotia	87,105,330	13,262,680	1,925,232	10,523,529	955,106	....	109,143	7,873,683	4,872,794	573,055	1,250,000	2,700,553	135,107	258,312,864
Toronto	38,150,049	....	....	5,502,620	489,445	....	66,743	3,735,067	635,055	306,603	630,866	....	....	108,609,759
Provinciale	14,908,925	....	....	1,291,737	165,395	592,685	379,902	2,171,341	10,063	197,600	....	....	174,287	45,612,112
Commerce†	175,016,389	16,024,702	7,457,219	35,008,385	3,001,235	2,550,183	2,642,247	15,089,780	10,588,229	1,250,000	8,000,000	3,946,096	354,705	548,662,166
Royal‡	239,705,933	103,758,119	3,639,982	12,421,900	4,314,929	2,444,941	847,411	17,197,943	21,836,757	1,600,000	3,000,000	6,674,499	439,782	710,765,706
Dominion	52,089,235	955,477	....	2,854,212	399,452	70,981	25,583	5,960,616	1,365,738	327,225	400,000	....	138,757	114,470,208
Nationale§	50,627,112	52,052	4,760,899	9,271,318	350,730	1,218,459	663,829	6,087,646	247,212	368,773	1,700,000	....	72,334	125,985,475
Imperial	52,985,794	....	3,105,395	11,409,363	415,060	172,740	432,224	6,006,271	714,607	431,727	1,350,866	....	147,576	129,472,494
Barclays (Canada)	1,248,005	....	....	....	30,423	....	....	450,000	21,313	14,365	....	....	....	7,313,023
Total	924,913,714	151,384,820	31,241,471	130,170,338	14,368,038	7,588,081	6,364,830	79,042,347	45,892,441	6,612,220	22,331,732	13,522,766	1,845,255	2,790,561,921

*Of this deposit $11,081,732 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above statement.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in the above return.—Footnote to Banque Canadienne Nationale return.

A. J. Pattison, Jr. & Co. LIMITED
(Established in 1907)
CORPORATION BONDS
3rd Floor, Royal Bank - Toronto, Can.

Western Grocers Profit Improves

Reporting an improvement in net earnings and in net profit during 1932, W. P. Riley, president of Western Grocers Ltd., told shareholders at the annual meeting held May 2 that 1932 sales volume was approximately the same as that of 1931 although the purchasing power of the average consumer in Western Canada was lower. With regard to future prospects, Mr. Riley stated that sales in the first four months of 1933 are slightly under the same period in 1932 yet net earnings for the four months are better than for the corresponding four months in 1932. The purchasing power of the consumer in the territories in which Western Grocers operates is not strong but nevertheless there are indications that a general improvement in conditions is imminent, according to Mr. Riley.

In August, 1932, the company had the opportunity of purchasing the capital stock of Nash Simington Co., an organization wholesaling fruit and vegetables in the same territory in which Western Grocers operates. The company accepted the opportunity and now owns all shares of Nash Simington Co. and experience so far indicates that this action will add to the volume and earning power of the parent company. At December 31, 1932, a bank loan of $976,500 was shown as a result of this purchase and this bank loan has been reduced approximately by one-third in the first four months of 1933.

In October, 1932, Western Grocers Limited sold its branches at Cranbrook, B.C., and Fort William, Ont., for cash. The Red & White Stores which are owned by customers of the company which co-operates with Western Grocers' management under the Red & White plan of merchandising have been able to hold their own with corporation-owned chains and in general are doing well.

DIVIDEND NOTICES

Bank of Montreal

Established 1817

DIVIDEND No. 280

Notice is hereby given that a DIVIDEND of TWO DOLLARS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after THURSDAY, the FIRST day of JUNE next, to Shareholders of record at close of business on 29th April, 1933.

By Order of the Board,
W. A. BOG, JACKSON DODDS,
General Manager. General Manager.
Montreal, 21st April, 1933.

RELIANCE GRAIN COMPANY LIMITED

PREFERENCE DIVIDEND No. 22

NOTICE is hereby given that a dividend for the quarter ending May 31st, 1933, at the rate of 6½% per annum, will be paid on June 15th, 1933, to preference shareholders of record at the close of business on May 31st, 1933.

By order of the Board.
A. W. GIBB,
Secretary.
Winnipeg, May 2nd, 1933.

The Canadian Bank of Commerce

Dividend No. 185

Notice is hereby given that a dividend of Two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st May, 1933, and that the same will be payable (less five per cent Dominion of Canada tax in the case of non-residents of Canada) at the Bank and its Branches on and after Thursday, 1st June next, to shareholders of record at the close of business on the 30th April, 1933. The Transfer Books will not be closed.

By Order of the Board
S. H. LOGAN
General Manager
Toronto, 21st April, 1933.

Borden's

COMMON STOCK DIVIDEND NO. 93

A quarterly dividend of forty cents (40¢) per share has been declared on the outstanding common stock of this Company, payable June 1st, 1933, to stockholders of record at the close of business, May 15, 1933. Checks will be mailed.

THE BORDEN COMPANY.
E. L. Noetzel, *Treasurer.*

IMPERIAL OIL LIMITED

NOTICE OF DIVIDEND No. 37

Notice is hereby given that a dividend of twelve and one-half cents (12½c) Canadian Currency per share has been declared, and that the same will be payable on or after the 1st day of June, 1933, in respect to the shares specified in any Bearer Share Warrants of the Company of the 1929 issue upon presentation and delivery of coupons No. 37 at:—

THE ROYAL BANK OF CANADA,
King and Church Streets Branch,
Toronto, Canada.

The payment to Shareholders of record at the close of business on the 15th day of May, 1933, and whose shares are represented by registered Certificates of the 1929 issue, will be made by cheque, mailed from the offices of the Company on the 31st day of May, 1933.

The transfer books will be closed from the 15th day of May to the 31st day of May, 1933, inclusive, and no Bearer Share Warrants will be "split" during that period.

The Income War Tax Act of the Dominion of Canada having been amended, effective April 1st, 1933, to provide that a tax of 5% shall be imposed and deducted at the source on all dividends payable by Canadian debtors to non-residents of Canada the above mentioned tax will be deducted from all dividend cheques mailed to non-resident shareholders and the Company's Bankers will deduct the 5% tax when paying coupons to or for account of non-resident shareholders. Ownership Certificates will be required by the paying Bankers in respect of all dividend coupons presented for payment by residents of Canada.

Stockholders resident in the United States are advised that a credit for the 5% Canadian tax withheld at source is allowable against the tax shown on their United States Federal income tax return. If it is desired to claim such credit on the return the United States tax authorities require the receipt or certificate of the Canadian Commissioner of Income Tax for such payment. In order for the taxpayer to secure such proof from the Canadian Commissioner it is necessary for the United States stockholder to submit, at the time of cashing his dividend coupon, an ownership certificate on Canadian form No. 601. Only in this way can the Canadian Commissioner identify the withheld Canadian tax with the specific recipient of the dividend in order to furnish the necessary individual receipt. If Forms No. 601 are not available at local United States banks, they can be secured by requesting the same from the Company's office or the Royal Bank of Canada in Toronto.

By Order of the Board,
F. E. HOLBROOK,
Secretary.
56 Church Street,
Toronto, Ontario.

NOTICES

The Canadian Foreign Investment Corporation Limited

NOTICE is hereby given that the Annual General Meeting of the Shareholders of THE CANADIAN FOREIGN INVESTMENT CORPORATION LIMITED, will be held in the Assembly Room, The Royal Bank of Canada Building, 360 St. James Street, in the City of Montreal, Province of Quebec, on the 22nd day of May, 1933, at the hour of 2.30 o'clock of the afternoon, for the purpose of:—

(a) receiving and, if thought fit, approving the reports of the Directors of the Company;

(b) electing Directors for the ensuing year;

(c) appointing Auditors for the ensuing year;

(d) transacting such other business as may properly come before the meeting.

By Order of the Board,
R. J. R. STOKES,
Secretary-Treasurer.
Montreal, May 6th, 1933.

NOTICE OF SPECIAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a Special General Meeting of the preference shareholders and common shareholders of THE CANADIAN FOREIGN INVESTMENT CORPORATION LIMITED, will be held in the Assembly Room of the Royal Bank Building, 360 St. James Street West, in the City of Montreal, on Monday, the 22nd day of May, 1933, immediately following the Annual General Meeting, for the purpose of considering and, if deemed advisable, passing a resolution authorizing the proper officers of this Company to apply for Supplementary Letters Patent amending and varying the provisions of the Letters Patent incorporating this Company (a) by providing that no preference shares shall be redeemed by the company at any time when any dividends on the preference shares are in arrears: (b) by cancelling and deleting clauses 4 and 5 of the provisions relating to the preference shares of this company; (c) by adding a clause stating that the holders of preference shares shall be entitled at all meetings of shareholders to one vote in respect of each preference share held by them; and (d) by adding a clause similar in substance to the provisions now contained in the last sentence of said Clause 5 providing that no modification of the privileges, priorities, rights and preferences attaching to the preference shares and no increase in the authorized amount of the preference shares and no sale of the undertaking of the Company shall be made except with the consent of the holders of the preference shares evidenced by the affirmative votes of holders of not less than three-fourths of the preference shares represented by shareholders present in person or represented by proxy at a meeting of such shareholders called for the purpose and at which holders of not less than two-thirds of the then outstanding preference shares are present or represented by proxy.

By Order of the Board,
R. J. R. STOKES,
Secretary Treasurer.
Montreal, May 6th, 1933.

The Ontario Municipal Board

NOTICE IS HEREBY GIVEN that the Municipality of the Town of Mimico has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932" by an Order of the Ontario Municipal Board bearing date the 19th day of April, 1933, and from and after the first publication of this notice in the Ontario Gazette, all actions or proceedings against the said Municipality are stayed and thereafter no action or other proceeding against the said Municipality shall be commenced or continued nor shall a levy be made under a writ of execution against it without leave of the Ontario Municipal Board.

Dated this 19th day of April, A.D., 1933.

H. C. SMALL,
Secretary, The Ontario Municipal Board.

THE ONTARIO MUNICIPAL BOARD

NOTICE IS HEREBY GIVEN that the Municipality of the Village of Long Branch has become subject to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an Order of the Ontario Municipal Board bearing date the 25th day of March, 1933, and from and after the first publication of this Notice in the Ontario Gazette, which publication was made on the 22nd day of April, 1933, all actions or proceedings against the said Municipality are stayed and thereafter no action or other proceeding against the said Municipality shall be commenced or continued nor shall a levy be made under a writ of execution against it without leave of the Ontario Municipal Board.

DATED this 25th day of March, A. D. 1933.

H. C. SMALL,
Secretary,
The Ontario Municipal Board.

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING MAY 8

Range 1933 High	Low	Divd. Rate in $	Yield in % May 6		Sales	Close May 1 (or—last)	Week Ending May 8— High	Low	Close
				A					
.50	.12	.	...	Abitibi	2500	.15	.37	.25	.25
2¼	1	.	...	Do. pref. 6%	236	1½	2¼	1	2
x80	80	7	...	Acme F. D'y p	....	..	..	..	..
x5	4½	.	...	Agnew Surp.	....	..	..	..	..
60	60	7	11.7	Do. pref.	....	60	..	..	..
8	3¼	.	...	Alta. Pac. Gr.	570	5½	8	6	7½
25	20	.	...	Do. pref.	20	21½	25	25	25
x3½	1½	.	...	Amal. Electric	....	..	..	..	..
9	3	.	...	Do. pref.	160	7	9	7¼	9
†3½	3½	.	...	Anglo. N. Hold.	....	..	..	..	..
.25	.15	.	...	Asbestos	100	.25	.20	.20	.20
.60	.50	.	...	Do. pref.	....	.50	..	..	..
8	3½	.	...	Assoc. Brew.	370	6½	8	7	8
72	65	7	10.8	Do. pref.	....	65	..	..	..
x3	3	.	...	Assoc. Can.	....	..	..	..	..
†69	65	.	...	Assoc. Tele.	....	..	..	..	..
				B					
130	127	10	7.8	Bk. Can. Nat.	138	128	128	127½	128
189	150	8	4.6	Bk. Montreal	372	168	175	168	171
265	228	14	6.1	Bk. N. Scotia	296	229	232	229	231
172	151	10	6.1	Bk. Toronto	186	156	170	155	170
10	10	.	...	Barcelona	....	10	..	..	..
2½	1	.	...	Bathurst Pr.	....	1½	..	..	..
x1½	1½	.	...	Do. (B)	....	..	..	..	..
†126	26	.	...	Bawlf Grain	....	..	..	..	..
20	20	.	...	Do. pref.	....	20	..	..	..
4	3	.	...	Beath & Sons	....	3	..	..	..
5	3½	.	...	Beatty Bros. A	25	4½	5	5	5
57	53	6	11.3	Do. pref.	....	53	..	..	..
1.50	.60	.	...	Beauharnois	41159	.80	1.25	.70	1.00
x63	60	4	...	Belding Cort.	....	..	..	..	..
89	87½	7	7.9	Do. pref.	55	87½	88½	87½	87½
100	80	6	6.6	Bell Telephone	1631	86	92	86½	92
3¼	3¼	.	...	Biltmore Hats	150	3¼	3¼	3¼	3¼
65	62	7	11.3	Do. pref.	....	62	..	..	..
x4	1½	.	...	Bissell, T. E.	....	..	..	..	..
†97	88	.	...	Do. pref.	....	..	..	..	..
1½	1	.	...	Blue Ribbon	20	1½	1½	1½	1½
17½	10	2	11.8	Do. pref.	15	17½	17	17	17
20	18½	2	10.2	Brant. Cd. pf.	50	18½	19½	19½	19½
12¾	7	.	...	Brazilian Tr.	140692	10¼	12¾	10¼	12¼
1.30	.55	.	...	Brew. & Distil.	8200	1.00	1.30	1.00	1.30
2.00	.12	.	...	Brewing Corp.	4779	1.50	1.75	.75	1.25
15¼	¾	.	...	Do. pref.	3395	13⅜	13½	9⅞	9⅞
10¾	7½	80c	7.4	Brit. Amer. Oil	27253	9¾	10¾	8⅞	10½
2⅝	1	.	...	B.C. Packers	4010	1⅞	2⅝	2	2½
12½	6	.	...	Do. pref.	....	11⅜	..	..	..
18¾	14	2	10.7	B.C. Power A.	868	17⅝	18¾	17¼	18¾
5	3	.	...	Do. (B)	1085	4	5	4	5
4½	3	.	...	Bruck S. Mills	....	4	..	..	..
14½	10½	1	7.4	Building Prod.	232	11¼	14½	11¼	13½
28	20	2	7.2	Burt, F. N.	330	26	27½	26½	27½
				C					
x125	120	6	...	Calgary Pr.	....	..	..	..	..
3⅜	1½	.	...	Canada Bread	1162	2¼	3⅜	1½	3¼
68	40	4	8	Do. pref. (A)	10	40	50	50	50
10	8	.	...	Do. pref. (B)	17	10	10	8	8
9½	5½	60c	6.7	Canada Bud	4075	8¾	9½	8	8
5¾	2¼	.	...	Canada Cement	9498	5	5⅝	4½	4½
30	12	.	...	Do. pref.	1505	24	26	23½	25
b12½	7½	1	8.2	Canada Dry	15026	10½	12¼	10½	11
4	2	.	...	Can. Forg. (A)	....	4	..	..	..
x7½	2	.	...	Do. (B)	....	..	..	..	..
x15	15	.	...	Canada Iron	....	..	..	..	..
†80	75	3	...	Do. pref.	....	..	..	..	..
425	425	20	4.7	Canada Life	....	4.25	..	..	..
21½	13½	1.50	7.4	Can. Malting	2805	19½	21¼	19½	21
13	12	80c	6.7	Can. Nor. Pr.	265	12	12	12	12
76	65	7	9.2	Do. pref.	10	75½	76	76	76
†6	¼	.	...	Can. Paving	....	..	..	..	..
10	4	.	...	Do. pref.	....	4	..	..	..
153	120	10	7.7	Can. Perman.	18	120	130	122	130
x1.00	.50	.	...	Can. Pr. & Pa.	....	..	..	..	..
2½	1½	.	...	Can. Steamsh's	10	1½	2½	2½	2½
9½	2	.	...	Do. pref.	1447	5½	9½	5½	8
19¾	13½	1.60	8.4	Can. Vinegars	465	16	19½	16½	19
x55	28½	.	...	Can. W. Cable	....	..	..	..	..
11	7	.	...	Do. (B)	90	7	11	8½	10½
x1½	1½	.	...	Can. Bakeries	....	..	..	..	..
6¾	5	.	...	Do. pref.	....	5	..	..	..
140	119	8	6.2	Can. Bk. Com.	345	123	129	123	129
17	9	60c	3.5	Can. Bronze	630	11	17	12	16¾
85	70	7	8.2	Do. pref.	250	70	85	85	85
5½	2½	.	...	Can. Canners	545	4½	5½	4½	5¼
63	48	6	9.7	Do. 1st pfd.	34	48	63	55	63
7¼	3⅜	20c	2.7	Do. 2nd pfd.	4534	6	7¼	6	7¼
5¼	3	.	...	Can. Car & F'y	4325	4½	5¼	4½	5¼
13½	9½	1.75	13.4	Do. pref.	2930	11⅝	13½	11⅛	13
9¾	6½	.	...	Can. Celanese	....	8	..	..	..
84	70	7	8.7	Do. pref.	130	75	80	75	80
25	8	2	8	Can. Convert.	150	20	25	20	25
‡50	45	.	...	Can. Cottons	....	..	..	..	..
47	45	6	13.3	Do. pref.	5	47	45	45	45
18½	10	1	...	Can. Dredge	1553	16½	18½	16¼	17½
†92	92	7	...	Do. pref.	....	..	..	..	..
x68	60	6	...	Can. Fairb. pf.	....	..	..	..	..
2½	2	.	...	Can. For. Inv.	25	2	2	2	2
35	35	2½	...	Do. pref.	....	35	..	..	..
107	100	4	3.7	Can. Gen. Elec.	....	107	..	..	..
56½	50	3.50	6.6	Do. pref.	49	52½	53	52½	53
x3¾	3½	.	...	Can. G. Inv. T.	....	..	..	..	..
45	34	6	13.3	Can. Hyd. El. p	649	41½	45	43	45
3⅜	1½	.	...	Can. Ind. Alc.	23712	2½	3⅜	2¼	3
3.00	.90	.	...	Do. (B)	725	1.00	3.00	2.50	3.00
75½	75½	3.50	4.6	Can. Industries	5	..	75½	75½	75½
†5.00	3.95	.	...	Can. Int. I. Tr.	....	..	..	..	..
†70	64½	.	...	Do. pref.	....	..	..	..	..
x21	15	1	...	Can. Lt. & Pr.	....	..	..	..	..
x1½	1	.	...	Can. Locomo.	....	..	..	..	..
x25	5	.	...	Do. pref.	....	..	..	..	..
b2½	1½	.	...	Can. Marconi	16500	2	2	1⅝	1⅝
10	6½	50c	5.9	Canadian Oil	115	8	9	8	9
96	79	8	10	Do. pref.	78	80	80	79	80
16½	9	.	...	Can. Pacific	34777	14½	16¼	14½	15
8	1	.	...	Can. Vickers	55	1	3	1⅝	3
5	5	.	...	Do. pref.	....	5	..	..	..
3	1½	20c	10	Can. Wineries	35	2	2⅛	2	2⅛
5	3	.	...	Can. Wire Box	....	5	..	..	..
8	5½	.	...	Catelli Mac A.	20	6	6	6	6
†5	5	.	...	Do. (B)	....	..	..	..	..
x301	290	8	...	Cent. Can. L'n	....	..	..	..	..
.90	.50	.	...	Chem. Research	1250	.75	.90	.75	.81
.80	.20	.	...	Claude Neon	75	.25	.35	.25	.35
7½	3	.	...	Cockshutt Plow	5026	7	7½	6	7½
1½	½	.	...	Comm. Alcohol	130	½	1½	1	1½
2¼	1	.	...	Conduits	95	1	2¼	2	2
†94	84	.	...	Do. pref.	....	..	..	..	..
7½	2	.	...	Cons. Bakeries	1937	5½	7½	5½	7½
2½	½	.	...	Cons. Indust.	485	½	2½	[illegible]	2½
5	3	.	...	Cons. Press	200	3	4½	3½	4½
x35	30	.	...	Cons. Sand. p.	....	..	..	..	..
98½	54	10%▲	...	Cons. Smelters	11560	93	98½	91½	95
181	170	10	...	Consumers' Gas	140	175	175	174½	174½
‡35	30	.	...	Cooksville Co.	....	..	..	..	..
‡85	85	.	...	Do. pref.	....	..	..	..	..
†20½	15	.	...	Corpor. Steel	....	..	..	..	..
‡90	90	.	...	Corr. P. Box p.	....	..	..	..	..
3½	1½	.	...	Cosgrave Brew.	165	3½	3½	2½	3
4½	2	.	...	Cosmos Imp.	475	3	4½	3	4*
47½	39	3.50	7.8	Do. pref.	45	39	45	40	45
3¾	1½	.	...	Crown Dom. Oil	....	2¼	..	..	..
20	8	.	...	Crow's N. Coal	....	8	..	..	..
				D					
1½	1½	.	...	David & Fre. B.	....	1½	..	..	..
†12½	12½	.	...	De Havilland	....	..	..	..	..
x15	10	.	...	Do. pref.	....	..	..	..	..
†9	5	.	...	Disher Steel	....	..	..	..	..
†10	10	.	...	Do. pref.	....	..	..	..	..
7	4	.	...	Distill-Seagram	5295	5	7	5	6¼
5	5	.	...	Dodge (A) pf.	....	5	..	..	..
x2	1¾	.	...	Do. (B)	....	..	..	..	..
148	124	10	7.8	Dom. Bank	99	125	130	126	128
23¾	12½	2	8.4	Dom. Bridge	15290	18½	23¾	18	22½
x4	4	.	...	Dom. Coal	....	..	..	..	..
18	8	.	...	Dom. Engineer	161	13½	18	14½	18
75	35	5	7.1	Dom. Glass	900	58	75	60	72
102	98	7	6.9	Do. pref.	10	101	102	102	102
3	1	.	...	Dom. Motors	927	1½	3	1½	2
2	¾	.	...	Dom. Pr. Stubs	500	2	1	¾	2
1.50	.50	.	...	Dom. St. & C B	3805	.85	1.50	.85	1.25
20	12⅛	1.20	6	Dom. Stores	2050	19	20	18¼	20
1½	1	.	...	Dom. Tar & Ch.	....	1½	..	..	..
11	5	.	...	Do. pref.	15	11	11	11	11
52½	39	4	7.8	Dom. Textile	1725	45½	52	46	50
100	93⅛	7	7.2	Do. pref.	65	97	100	96	100
†12	10	.	...	Donnacona	....	..	..	..	..
2½	¾	.	...	Dryden Paper	755	1½	2½	1½	2¼
1	1	.	...	Duff. Paving	5	1	1	1	1
10	5	.	...	Do. pref.	20	10	10	10	10
				E					
x30	3	.	...	East. Koot. Pr.	....	..	..	..	..
†97	94½	.	...	Do. pref.	....	..	..	..	..
5	1½	.	...	East Dairies	330	2	5	2	5
x9½	9½	.	...	East. Steel	....	..	..	..	..
x74	74	7	...	Do. pref.	....	..	..	..	..
‡34	34	2	...	East. Theatres	....	..	..	..	..
†85	80	7	...	Do. pref.	....	..	..	..	..
x1	1	.	...	Easy Washer	....	..	..	..	..
8	7	75c	...	Economic Inv.	....	8	..	..	..
†15	15	.	...	Edmonton D'y	....	..	..	..	..
†80	78½	6.50	...	Do. pref.	....	..	..	..	..
½	½	.	...	Enam. & Heat.	....	½	..	..	..
8	5	.	...	Eng. Electric	10	8	8	8	8
1½	1½	.	...	Do. (B)	....	1½	..	..	..
				F					
4	4	.	...	Fam. Players	....	4	..	..	..
x10½	7½	.	...	Do. Vot. Tr.	....	..	..	..	..
11	8½	1	9.1	Fanny Farmer	....	11	..	..	..
28	23	2.40	8.7	Do. pref.	....	27½	..	..	..
†83½	75	.	...	Firstbrook Box	....	..	..	..	..
9½	6	.	...	Ford Motors A	11323	7⅝	9½	7½	8¼
1½	1½	.	...	For. Pr. Secs.	....	1½	..	..	..
6	5	.	...	Foundation Co.	....	6	..	..	..
.30	.25	.	...	Fraser Cos.	....	.25	..	..	..
90	90	.	...	Fr.& For.Inv. p	....	90	..	..	..
†8	5	.	...	Frost Steel	....	..	..	..	..
40	40	.	...	Do. pref.	15	..	40	40	40
				G					
2.25	.70	.	...	Gen. St. Wares	1843	1.50	2.25	1.75	2.00
83½	40	2.40	2.9	Goodyear Tire	455	68	83½	68	80
95	80	7	7.4	Do. pref.	3781	87½	95	88	95
†93½	93½	.	...	Gould Pumps, p	....	..	..	..	..
		.	...	Gt. W. Saddlery	....	[illegible]	..	..	..
5	5	.	...	Do. pref.	5	..	5	5	5
7½	4	.	...	Gurd, Chas.	440	6	7½	6	7½
x106	100	7	...	Do. pref.	....	..	..	..	..
4	1½	.	...	Gypsum, Lime	6725	2¼	4	2¼	3¼
				H					
6¼	2½	.	...	Ham. Bridge	2071	4½	6¼	4	6
x60	44½	.	...	Do. pref.	....	..	..	..	..
5½	4	.	...	Ham. Cot. pf.	5	4	5	5	5
2½	2	.	...	Ham. U. Theat.	....	2	..	..	..
48	48	7	14.6	Do. pref.	10	..	48	48	48
†50	50	.	...	Hillcrest Coll.	....	..	..	..	..
†91	91	.	...	Do. pref.	....	..	..	..	..
4½	2	.	...	Hinde & Dauch	620	3	4½	2½	4½
†75	75	.	...	Holt Renfrew	....	..	..	..	..
†96½	90	.	...	Do. pref.	....	..	..	..	..
⅞	⅜	.	...	Honey Dew	300	[illegible]	[illegible]	[illegible]	[illegible]
7	5	.	...	Do. pref.	....	6	..	..	..
3½	1½	.	...	H. Smith Pap.	370	2½	3⅜	3	3
15	8	.	...	Do. pref.	176	15	15	15	15
17	14⅛	2	12.7	Humberstone S	....	15½	..	..	..
8	4½	50c	10	Hunt (A)	25	4½	5	5	5
5	5	50c	10	Do. (B)	25	5	5	5	5
120	78	7	8.9	Huron & E. Mt.	27	80	80	78	78
18	13	.	...	Do. 20% pd.	....	13	..	..	..
6	6	.	...	Hydro Electric	....	6	..	..	..
				I					
158	123	10	7.1	Imperial Bank	57	131	140	135	140
11½	7⅞	50c	4.5	Imperial Oil	49360	10½	11½	10⅜	10⅞
9½	7	85c*	8.7	Imperial Tob.	12796	8¾	9½	8¾	9½
†80	80	8	...	Inter. Coal, p.	....	..	..	..	..
b6½	2¼	.	...	Int. Hyd. E. A.	10700	..	5⅜	4½	5
102	98	7	6.9	Inter. Mill. pf.	500	102	102	102	102
85½	84	6	7	Do. Series A	....	85½	..	..	..
16.40	8.00	.	...	Inter. Nickel	108448	16.00	16.40	15.25	15.50
x4	4	.	...	Inter. Paints	....	..	..	..	..
b2	[illegible]	.	...	Int. Pa & Pr A	1501	1½	2	[illegible]	2
b1½	[illegible]	.	...	Do. (B)	500	[illegible]	[illegible]	[illegible]	[illegible]
b1½	[illegible]	.	...	Do. (C)	2100	[illegible]	[illegible]	[illegible]	[illegible]
b4½	2	.	...	Do. pref.	5202	4	4½	3½	4¼
15½	10⅛	1	6.7	Inter. Pete.	5338	15	15	14⅛	14½
x2½	2¼	.	...	Inter. Power	....	..	..	..	..
12½	8	.	...	Do. pref.	104	8	12½	10	12½
7	5⅛	.	...	Int. Util. (A)	25	5⅜	6½	6	6
1½	1	.	...	Do. (B)	15	1½	1⅝	1	1⅝
				J					
†40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
75	70	7	9.3	Do. pref.	26	70	75	75	75
				K					
1½	¾	.	...	Kelvinator	....	1	..	..	..
57	57	7	...	Do. pref.	....	57	..	..	..
				L					
10½	5	.	...	Lake of Woods	1794	8½	10½	9	9¾
50	30	.	...	Do. pref.	40	40	50	50	50
80	80	6	7.5	Landed Bank	....	80	..	..	..
40½	36	3	7.7	Laura Secord	65	39	39	39	39
2	1¾	.	...	Lindsay, C. W.	210	1¾	2	2	2
30	25	.	...	Do. pref.	100	30	30	30	30
13½	10½	80c	6.1	Loblaw (A)	4282	11⅝	13½	11⅝	13½
12¾	10½	80c	6.7	Do. (B)	1860	11	12¾	10¾	12¾
‡2¾	2¾	.	...	Loew's, London	....	..	..	..	..
				M					
†25	19	.	...	MacKin. Steel	....	..	..	..	..
†95	90	.	...	Do. pref.	....	..	..	..	..
3½	3½	.	...	Manitoba Pr.	....	3½	..	..	..
4	4	.	...	Maple Leaf	50	..	4	4	4
14	5	.	...	Do. pref.	140	7	14	9	14
6	6	.	...	Marcus Loew's	....	6	..	..	..
35	35	.	...	Do. pref.	....	35	..	..	..
5	2⅝	.	...	Massey-Harris	8365	3¾	5	3⅝	4⅞
10⅞	7	60c	5.7	McColl Fron.	6948	10	10⅞	9½	10¾
65	54½	6	9.2	Do. pref.	62	60	65	65	65
†45	35	.	...	Mexican L & P	....	..	..	..	..
‡35	25	.	...	Mercury Mills	....	..	..	..	..
‡89	58½	.	...	Do. pref.	....	..	..	..	..
†40½	40	.	...	Mitchell, J. S.	....	..	..	..	..
x105	105	7	...	Do. pref.	....	..	..	..	..
5	2	.	...	Mitchell, Robt.	30	4½	5	4½	5
†1	1	.	...	Monarch Knit.	....	..	..	..	..
20	20	.	...	Do. pref.	....	20	..	..	..
x75	45	.	...	Montreal Cot.	....	..	..	..	..
x75	65	7	...	Do. pref.	....	..	..	..	..
½	¼	.	...	Montreal Exhib	....	¼	..	..	..
x11	5	.	...	Mont. Is. Pr.	....	..	..	..	..
35	26½	1.50	4.3	Mont. L. & Pr.	25068	31	35	30½	33¼
42	40	3+.25	8.1	Montreal Loan	10	40	40	40	40
43	39	3.20	8.2	Montreal Tele.	32	42	40	39	40
100	70	9	11.4	Montreal Tram	2108	70	79	70	78½
7½	4	.	...	Moore Corp.	391	7½	7½	7⅛	7⅛
79½	65	7	10	Do. pref. (A)	80	65	71	65	71
86½	70	7	9.3	Do. pref. (B)	40	72	75	72	75
‡10	10	.	...	Mt. Royal Hot.	....	..	..	..	..
‡49	49	.	...	Do. pref.	....	..	..	..	..
1	½	.	...	Muirheads	....	1	..	..	..
7	5	.	...	Do. pref.	....	7	..	..	..
				N					
21	14½	1.60	7.6	Nat. Breweries	18498	19½	21	19	20
30	27	1.75	5.8	Do. pref.	310	30	30	30	30
x½	½	.	...	Nat. Brick	....	..	..	..	..
x3	3	.	...	Do. pref.	....	..	..	..	..
16	14	2.40	16	N. Sew. Pipe A	....	14	..	..	..
9⅞	5	.	...	Nat. Steel Car.	1490	8⅞	9⅞	8⅞	9½
212	170	10	5.9	National Tr.	6	185	175	170	170
x10	10	.	...	Niag. W. Weav	....	..	..	..	..
x20	16	.	...	Do. pref.	....	..	..	..	..
1.50	.75	.	...	North Star Oil	560	.75	1.05	.75	1.05
3.00	1.75	35c	..	Do. pref.	150	2.25	2.75	2.50	2.50
‡25	25	.	...	N.S. Steel, pf.	....	..	..	..	..
				O					
150	100	8	5.4	Ogilvie Flour	265	135	150	135	149½
115	108	7	6.2	Do. pref.	31	112	115	112	112
5½	4	.	...	Ont. Eq. 10% p	20	5½	5½	5½	5½
105	104	6	5.7	Ontario Loan	10	104	105	105	105
x7	5	.	...	Ont. Silknit	....	..	..	..	..
†16	13	.	...	Ont. Steel	....	..	..	..	..
‡105	105	.	...	Do. pref.	....	..	..	..	..
[illegible]	[illegible]	.	...	Orange Crush	....	[illegible]	..	..	..
5	5	.	...	Do. (A)	45	..	5	5	5
1½	½	.	...	Do. (B)	150	½	1½	1	1½
88	84	6	6.8	Ott. L. H. & P.	....	84	..	..	..
90	84	6.50	7.4	Do. pref.	15	84	90	87	88
8	5	.	...	Ott. Traction	10	5	5	5	5
				P					
54	40	3	5.7	Page Hersey	1365	49½	54	49	53
b2⅜	⅛	.	...	Paramount	....	⅛	..	..	..
x20	20	.	...	Paton Mfg.	....	..	..	..	..
†94	94	7	...	Do. pref.	....	..	..	..	..
28½	20	3	10.6	Penmans	680	25	28¼	25½	28¼
75	65	6	9	Do. pref.	....	66	..	..	..
11	8	.	...	Photo Eng.	205	9½	11	9½	11
†70	64	7	...	Porto Rico Pr. p	....	..	..	..	..
b12½	4	.	...	Postal Tele. p	....	..	..	..	..
10½	6	.	...	Power Corp.	7942	7½	10½	7½	9⅞
38½	26	6	...	Do. pref.	85	28½	30	26	30
1½	¾	.	...	Prairie C. Oil	60	1	1½	1	1½
16	8	.	...	Pressed Metals	90	9½	12	10	10½
4⅛	2	.	...	Price Bros.	....	2	..	..	..
x2	2	.	...	Do. pref.	....	..	..	..	..
				Q					
14½	11	1	7.1	Quebec Power	720	12½	14⅛	12¼	14
				R					
95	85	7	8.2	Real Estate L'n	....	85	..	..	..
.75	.50	.	...	Regent Knit.	50	.50	.75	.60	.75
x10	5½	.	...	Reliance Grain	....	..	..	..	..
8½	7	1	11.8	River. S. Mills	....	8½	..	..	..
5	5	1	20	Robinson Cone	....	5	..	..	..
2	¾	.	...	Rogers Majes.	55	1¼	2	1¼	1¼
143	123	8	6.1	Royal Bank	287	127	135	127½	132
†84	75	.	...	Ruddy, E. L. p	....	..	..	..	..
x33	32½	.	...	Russell Motor	....	..	..	..	..
45	30	4	13.3	Do. pref.	....	30	..	..	..
				S					
x4	3	.	...	Sarnia Br. A.	....	..	..	..	..
x1	1	.	...	Do. (B)	....	..	..	..	..
5½	2¼	.	...	Serv. Station	885	4½	5½	4½	5
25	16	.	...	Do. pref.	5	16	20	20	20
13¾	9½	50c	3.8	Shawinigan	10303	12⅜	13½	12½	13
16	4	.	...	Sher. Wms.	25	10	10	10	10
60	39	.	...	Do. pref.	5	40	40½	40½	40½
4½	4	.	...	Simon & Son	50	..	4½	4	4½
x80	60	.	...	Do. pref.	....	..	..	..	..
20	6	.	...	Simpson, Ltd.	24	14	20	19	20
†44½	36	.	...	Do. (A)	....	..	..	..	..
1	1	.	...	Do. (B)	5	..	1	1	1
74	46½	6	10.3	Simpson, R., p.	229	46½	58	50	58
16	12	1	7.1	So. Can. Pr.	255	15	15	13⅜	14
79	68	6	8.6	Do. pref.	15	70	70⅛	69⅜	70
.40	.15	.	...	St. Law. Corp.	50	.30	.40	.40	.40
3	1	.	...	Do. (A)	675	1½	3	1½	2¼
34	15	1.50	4.4	St. Law. Flour	645	20	34	26	30⅜
95	92	7	7.4	Do. pref.	10	95	95	95	95
4½	2¾	.	...	St. Law. Pa. p	31	3	4½	4	4
8	4	50c	...	Stand. Chem.	35	4	8	4	8
2	¾	.	...	St. Pav. & Mat.	395	1½	2	1½	2
16	16	.	...	Do. pref.	....	16	..	..	..
4⅞	1	.	...	Stand. Steel	2650	2½	4½	2½	3½
†35	30	.	...	Do. pref.	....	..	..	..	..
23½	14½	1.20	5.2	Steel of Can.	5864	21½	23½	21	22½
29	24½	1.75	6	Do. pref.	317	28	29	28	29
x1½	¾	.	...	Sterling Coal	....	..	..	..	..
x300	200	.	...	Sun Life Ass.	....	..	..	..	..
15	12	1	6.7	Sup. Pete. ord.	1076	14	15	13¼	14½
13	11½	1	8.5	Do. com.	....	11½	..	..	..
97	93	7	7.3	Do. pref.	....	96	..	..	..
				T					
40	40	.	...	Tamblyn	....	40	..	..	..
88	82	7	8.3	Do. pref.	5	82	84	84	84
10	10	■87½c	...	Thayers, pf.	....	10	..	..	..
8⅜	7¾	.	...	Thrift Stores	795	8½	8⅜	8⅜	8⅜
21¼	21	1.62½	7.7	Do. pref.	25	21¼	21	21	21
4	1	.	...	Tip Top Tailors	195	3	4	2¼	4
35	35	.	...	Do. pref.	....	35	..	..	..
†22	10	.	...	Tooke Bros.	....	..	..	..	..
15	15	.	...	Do. pref.	....	15	..	..	..
17½	12½	1	...	Tor. Elevators	70	15	17½	17	17½
167	138	8	5.8	Tor. Gen. Tr.	45	155	155	150½	150½
98½	90	6	6.4	Toronto Mtge.	....	92	..	..	..
x¼	¼	.	...	Traymore	....	..	..	..	..
2	1	.	...	Do. pref.	25	2	1	1	1
110½	107	7	6.4	Tuckett Tob. p	9	110	108½	108½	108½
1½	1	.	...	Twin City	....	1½	..	..	..
b9½	5⅛	.	...	Do. pref.	....	..	..	..	..
				U					
4	2⅜	.	...	Union Gas	1795	2⅝	3½	2⅝	3¼
x100	85	.	...	Union Trust	....	..	..	..	..
†8	8	.	...	United Fuel	....	..	..	..	..
9½	4½	.	...	Do. pref.	10	4½	5	5	5
7	7	.	...	Un. Amuse. A	....	7	..	..	..
20	19½	2	10	United Secs.	....	20	..	..	..
				V					
2½	2	.	...	Viau Biscuit	10	2½	2½	2½	2½
x75	59	.	...	Do. pref.	....	..	..	..	..
				W					
7	4	.	...	Wabasso Cot.	10	5	5	5	5
7⅞	4	.	...	Walker-Good.	18554	6⅝	7⅞	6⅛	7
13½	9½	1	8	Do. pref.	7404	10⅞	13½	10⅞	12⅞
2½	1½	.	...	Waterloo Mfg.	135	1½	2½	2¼	2½
x80	75	7	...	W. Koot. Pr. p	....	..	..	..	..
8¼	4	.	...	West. C. Flour	55	5	8¼	5	8¼
55	53½	3	5.6	Do. pref.	....	53½	..	..	..
12	8	.	...	West. Grocers	276	10	12	11	12
60	54	7	11.7	Do. pref.	95	54	60	60	60
†91	85	.	...	W. Steel Pr. p	....	..	..	..	..
20½	16½	1	5.9	Weston Bisc.	....	16½	..	..	..
71	67	7	10.4	Do. pref.	1	67½	67	67	67
3	3	.	...	Windsor Hotel	....	3	..	..	..
10	5	.	...	Do. pref.	....	5	..	..	..
3½	1	.	...	Winnipeg Elec.	1655	3	3½	2½	3½
8	3½	.	...	Do. pref.	40	3½	7	5	7
†46	46	.	...	Woods Mfg. p.	....	..	..	..	..
				Z					
x1	1	.	...	Zimmerknit, c.	....	..	..	..	..

x Quotations for 1932. No sales recorded in 1933 to date.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
▲ Stock dividend.
♦ On account of arrears covering quarter ended June 30, 1932.
* Plus final dividend of 17½c. paid Mar. 31.
■ Covers payment due Jan. 3 last and deferred; paid Mar. 15, 1933.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)

May 9, 1933

	Bid	Asked
Industrial Bonds:		
Abitibi P. & P. 5% 1953	15.50	17.00
Acadia Sugar 6% 1946	86.00	....
Alta. Pac. Grain 6% 1946	80.00	83.00
American Sales Book 6% 1939	103.00	....
Arnold Bros. 6% 1947	36.00	....
B. A. Oil 5% 1945	91.00	94.00
Can. Biscuit 6½% 1946	14.00	....
Can. Bread 6% 1941	83.00	86.00
Can. Cement 5½% 1947	67.00	70.00
Can. Steamship 6% 1941	24.00	27.00
Can. Bakeries 6½% 1945	45.00	50.00
Can. Canners 6% 1950	79.00	82.00
Can. Copper Refin. 6% 1945	103.00	106.00
Can. Cottons 5% 1940	83.00	....
Can. Vickers 6% 1947	58.00	....
Cons. Invest. 4½% 1959	26.00	....
Cosmos Imp. Mills 6½% 1944	75.00	....
Davies, Wm. 6% 1942	89.00	....
Debenture & Sec. 4% 1936	58.00	64.00
Dom. Manufacturers 6% 1933	95.00	....
Dom. Tar & Chemical 6% 1949	59.00	62.00
Dom. Telegraph 5½% 1978 "A"	86.00	....
Dom. Textile 6% 1949	99.00	101.00
Dom. Woollens 6% 1948	14.00	....
Donnacona Paper 5½% 1948	13.00	16.00
Eaton Realty 5% 1949	80.00	82.00
Famous Players 6% 1948	51.00	54.00
Federal Grain 6% 1949	78.00	81.00
Firestone Tire 7% 1937	110.00	....
Fraser Cos. 6% 1932	8.00	10.00
Fraser Cos. 6% 1950	8.00	10.00
Galt Brass 7½% 1941	....	25.00
Goodyear Cotton 6% 1949	99.00	....
Great Lakes Paper 6% 1950	21.00	24.00
Gypsum, Lime & Alab. 5½% 1948	30.00	33.00
Harris Abattoir 6% 1947	89.00	....
Howard Smith 5½% 1953	60.00	63.00
Loew's Toronto 6% Serial	100.00	....
London Realty 6½% 1950	33.00	36.00
Maple Leaf Milling 5½% 1949	26.00	29.50
Massey-Harris 5% 1947	61.00	64.00
McColl-Frontenac 6% 1949	88.00	90.00
McKinnon Industries 6½% 1945	94.00	....
Mercury Mills 5½% 1953	....	30.00
Metropolitan Bldg. 7% 1944	78.00	82.00
Northern Ontario Bldg. 6½% 1939	60.00	63.00
Price Bros 6% 1943	25.00	29.00
Richmond Bay 6½% 1947	....	60.00
Simpsons Ltd. 5½% 1949	55.00	....
Simpsons Ltd. 6% 1949	61.00	....
Steel of Canada 6% 1940	104.00	107.00
Toronto Carpet 6% 1944	75.00	85.00
United Gas & Fuel 5½% 1948	50.00	53.00
United Grain Growers 5% 1948	78.00	....
United Grain Growers 5½% 1949	82.00	....
Wabasso Cotton 7% 1942	63.00	....
Western Grain 6% 1949	64.00	....
Public Utility Bonds:		
Bell Telephone 5% 1955	100.00	103.00
Bell Telephone 5% 1957	100.00	103.50
B. C. Power 5½% 1960	82.00	85.00
B. C. Telephone 5% 1960	85.00	88.00
Calgary Power 5% 1960	77.00	79.50
Can. Northern Pwr. 5% 1953	76.50	79.50
Duke Price Pwr. 6% 1966	65.00	69.00
French Nat'l. Mail S.S. 6% 1952	123.00	....
Gatineau Pwr. 6% 1941 "A"	64.00	66.00
Gatineau Pwr. 5% 1956	76.50	78.50
Maclaren Quebec 5½% 1961	74.00	76.00
Manitoba Power 5½% 1951	34.00	37.00
Montreal Isl. Pwr. 5½% 1957	92.00	95.00
Montreal LH&P 5% 1951	100.00	103.00
Montreal LH&P 5% 1970	99.00	102.00
Montreal Tram 5% 1941 July	97.00	100.00
Montreal Tram 5% 1955	71.00	74.00
Northwest Utilities 7% 1938	92.00	....
Ottawa Valley Pwr. 5½% 1970	96.00	98.00
Quebec Power 5% 1968	83.00	86.00
Rio Tramways 5% 1935	96.00	100.00
Shawinigan W&P 4½% 1970	68.00	71.00
Shawinigan W & P 5% 1970	75.00	77.50
Shawinigan W&P 6% 1937	88.00	91.00
Southern Can. Pwr. 5% 1955	97.00	100.00
West Kootenay Pwr. 5% 1956	89.00	91.00
Government, Provincial & Railway:		
C. N. R. 4½% 1951 Dom. Gtd.	98.00	99.00
C. N. R. 4½% 1957 Dom. Gtd.	98.00	99.00
C. N. R. 5% 1969 Dom. Gtd.	103.25	104.00
C. P. R. 4½% 1944	72.00	74.00
C. P. R. 6% 1942	95.00	96.00
Dom. of Can. 5% 1936	102.00	103.00
Dom. of Can. 5% 1941	102.50	103.50
G. T. P. 3% 1962 Dom. Gtd.	80.00	81.00
G T. P. 4% 1962 Dom. Gtd.	92.00	93.00
Ont. Hydro 3½%, 4%, 5%, 1952 Ont. Gtd.	90.00	91.00
Ont. Hydro 4½% 1970 Ont. Gtd.	97.50	99.00
Ont. Hydro 4% 1957 Ont. Gtd.	90.00	....
Prov. of N. B. 5% 1957	98.00	99.50
Prov. of Ont. 5½% 1947	105.00	106.50
Prov. of Ont. 5% 1948	102.00	102.75
Prov. of Ont. 5½% 1946	105.50	106.50

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto

May 9, 1933

	Bid	Asked
Industrial Stocks:		
Acadia Sugar c.	.70	1.00
Acadia Sugar 6% pfd.	2.75	....
Acme Farmers Dairy 7% pfd.	51.00	....
Acme Glove pfd. bonus c.	3.75	8.00
Agnew Surpass 7% pfd.	60.00	65.00
Allens London 7% pfd. bonus c.	31.00	....
Allens St. Cath. 7% pfd. bonus c.	31.00	....
Allens Toronto 7% pfd. bonus c.	18.00	....
Andian Nat. Corp.	20.25	22.50
Atlantic Sugar "A" pfd.	70.50	77.50
B.C. Pulp & Paper pfd.	4.50	8.00
Burns pfd. bonus com.	2.50	....
Canada & Dom. Sugar	27.00	30.00
Canada Mach. c.	3.00	5.50
Canada Mach. pfd.	18.00	....
Canada Pack. c.	20.00	26.00
Canada Pack. pfd.	81.00	92.00
Canada Starch 7% pfd.	63.00	68.00
Canada Tea 7% pfd.	....	48.00
Canada Wire & Cable 6½% pfd. W.W.	33.00	....
Can. Industries c. "A"	78.00	....
Can. Industries c. "B"	76.00	78.00
Can. Industries 7% pfd.	120.00	....
Can. Westing.	39.00	44.00
Claude Neon Gen. Adv. Units	....	14.00
Cons. Div. Standard Sec. pfd.	5.30	....
Dodge Mfg. "A" pfd.	6.50	....
Dom. Foundries & Steel 8% pfd	....	59.00
Dom. Foundries & Steel c.	2.25	4.25
Dom. Mfrs. 7% pf.	67.25	....
Dunlop Tire 7% pfd.	34.00	40.00
Eastern Dairies Ltd. 7% pfd.	....	46.50
Edmonton Stock-yards Units	37.00	52.00
Federal Grain 6½% pfd.	18.00	....
A. J. Freiman pfd.	44.00	....
Gen. Steel Wares pfd.	6.00	....
Goderich Elevator & Transit	4.25	5.25
Greening Wire 7% pfd.	....	54.00
Guelph Carpet 6½% pfd. bonus	68.00	72.00
Guelph Carpet c.	3.75	....
Inter. Proprietaries "A"	22.00	23.50
Langley's Ltd. 7% pfd.	20.00	23.50
Loew's London c.	.25	....
Loew's London 7% pfd.	2.90	3.75
Loew's Toronto 7% pfd.	....	61.00
Massey-Harris 5% pfd.	17.00	18.50
Medical Arts pfd. bonus c.	95.50	....
Mount Royal Hotel c.	.35	.60
Mount Royal Hotel 6% pfd.	2.30	3.25
Nat. Grocers c.	.55	1.00
Nat. Grocers 7% 2nd pfd.	42.00	....
Neilson, Wm., c.	4.00	....
Paramount Kitchener pfd.	26.00	....
Paramount Oshawa com.	1.50	....
Paramount Oshawa pfd.	26.00	....
Provincial Paper 7% pfd.	34.00	....
Reliance Grain 6½% pfd.	47.00	....
Rolland Paper 6% pfd. W.W.	22.00	....
Standard Clay Products c.	....	15.00
Standard Fuel 6½% pfd. bonus	56.00	60.00
Stop & Shop Ltd. com.	1.00	3.00
Ind. Stock cont'd.		
Superilk pfd. bonus	25.00	30.50
Supertest Petroleum "B"	17.25	20.00
Toronto Elevators 7% pfd.	71.50	73.50
Un. Grain Grow.	11.00	....
Western Grain 6½% pfd. bonus	10.00	15.00
Western Grocers pfd.	55.00	60.00
Willards Choc. pf.	....	14.25
Insurance Stocks:		
Br. Amer. Assce.	38.00	40.00
Canada Life Ass.	....	390.00
Can. Fire Ins.	46.00	54.00
Confederation Life 20% pd.	....	130.00
Continental Life 20% pd.	37.00	42.00
Crown Life Ins.	91.00	110.00
Dom. Fire Ins.	82.50	....
Dom. Life 50% pd.	150.00	220.00
Dom. of Can. Gen. Ins.	....	103.00
Empire Life 25% pd.	8.75	12.00
Excelsior Life 30% pd.	60.00	70.00
Fidelity Ins. Co.	45.00	....
Great West Life Assce.	241.00	250.00
Guarantee Co. of N. A.	240.00	....
Imperial Life	250.00	265.00
Mfrs. Life Ins.	230.00	245.00
Monarch Life 10% pd.	15.00	18.00
National Life 25% pd.	55.00	65.00
Saskatchewan Life 10% pd.	7.00	12.00
Sovereign Life 25% pd.	13.75	20.00
Sun Life Assur.	300.00	325.00
Western Assur. c.	14.00	18.00
Western Life 20% pd.	7.00	12.00
Trust & Loan Stocks:		
Br. Mtg. & Trust	150.00	160.00
Can. Gen. Inv. Ltd.	3.25	....
Chartered Trust	49.00	....
Debenture & Sec. 5% pfd.	30.00	....
Eastern Can. Sav. & Loan	110.00	115.00
Eastern Trust	130.00	140.00
Guelph & Ont. Inv. par $50	....	51.00
Investment Foundation Units	19.00	25.00
Lambton Loan & Savings	53.00	60.00
London & Western Trust	....	55.00
Mtge. Disc. pfd.	1.40	2.00
Premier Trust	75.00	....
Provincial Bank	87.00	93.00
Security Loan & Savings	99.00	....
Sherbrooke Trust	101.00	111.00
Sterling Trust	....	50.00
Traders Fin. c.	....	.55
Traders Finance 7% "A" pfd.	19.00	22.00
Trusts & Guar.	28.00	32.00
Victoria Trust & Savings	130.00	137.00
Waterloo Trust & Savings	....	108.50
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	87.00	90.00
Calgary Pwr. 6% pfd.	64.00	....
Can. Light & Pwr. c.	20.00	23.50
Can. West. Nat. Gas LH&P c.	21.50	....
Can. West. Nat. Gas LH&P pfd.	69.00	....
Maritime Tel. & Tel. c.	7.05	8.25
Maritime Tel. & Tel. 7% pfd.	10.25	11.50
N.B. Telephone c.	6.15	7.50
Nor. Ont. Pwr. c.	9.25	....
Nova Scotia L&P 6% pfd.	67.00	71.00

Recent London Quotations:
Brewers & Distillers .. 4s. 3d.
Can. & For. Secs. ..... 3s. 6d.
Can. West. Lumber ...... 1s.
Hudson's Bay .... 18s. 9d.
Do., 5% pref. .... 67s. 6d.
Internat. Holdings 31½
Nfld. Pr. & Pap. deb. stock "B" 90¼
Trust & Loan of Can. .... 6d.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Agnew Surpass pref.	7%	1¾%	July 3	June 15
Bank of Montreal	8%	2%	June 1	Apr. 29
Bank of Toronto	10%	2½%	June 1	May 15
Bk. Can. Nationale	10%	2½%	June 1	May 15
Belding Corticelli, pfd.	7%	1¾%	June 1	May 15
Borden Co., c.	$1.60	40c	June 15	May 31♦
Canadian Oil	50c	12½c	June 1	May 15
Do., pref.	8%	2%	May 15	May 1
Cosmos Imp. Mills, pfd.	$3.50	87½c	July 1	June 20
Can. Bank of Commerce	8%	2%	May 15	Apr. 29
Can. Converters	$2	50c	June 1	Apr. 30
Can. Hydro-Elec., 1st pfd.	6%	1½%	May 15	Apr. 30
Cons. Diversified Std. Secs. 1st pfd.	...	25c	June 1	May 1
Dominion Bridge	$2	50c	June 15	May 15
Eastern Theatres c.	$2	50c	May 15	Apr. 29
Hollinger Gold	65c	5c	June 1	Apr. 29
Do., extra	...	5c	May 20	May 5
Growers' Wine "A" pref.	70c	35c	May 20	May 5
Do., "B" pref.	70c	35c	May 1	....
Imperial Oil (No. 37)	50c	12½c	June 1	....
Inter. Milling 1st pfd.	7%	1¾%	June 1	May 15
Do., "A" pref.	6%	1½%	June 1	May 20
Kelvinator, pref.	7%	1¾%	June 1	May 20
Laura Secord	$3	75c	May 15	May 5
Loblaw Groceterias A & B	80c	20c	June 1	May 15
McIntyre Porc. Mines	$1	25c	June 1	May 12
Do., extra	...	25c	June 1	May 1
McColl-Frontenac, c.	60c	15c	June 15	May 1
N.S. Light & Pr. pfd.	6%	1½%	June 1	May 15
National Biscuit, c.	$2.80	70c	July 15	May 17
Do., pref	$7	$1.75	May 31	June 16
Quebec Power	$1	25c	May 15	May 15
Penmans	$3	75c	May 15	Apr. 28
Provincial Bank	6%	1½%	June 1	May 5
Reliance Grain pref.	6½%	1⅝%	June 15	May 15
Rolland Paper, pfd.	$6	$1.50	June 1	May 31
Royal Bank	8%	2%	June 1	May 15
Shawinigan W. & P.	50c	12c	May 15	Apr. 29
Southern Can. Power c.	$1	25c	May 15	Apr. 21

Dividends Passed or Deferred:
Great Lakes Power, pref. June 15 deferred. Last paid $1.75 March 15, 1933.

Dividend Rate Reduced:
Bank of Montreal, June 1, 10% to 8% per annum.
Can. Bank of Commerce, June 1, 10% to 8% per annum.
Royal Bank, June 1, 10% to 8% per annum.

Extra Dividends:
McIntyre Porc. Mines June 1, 12½c + 12½c.
Hollinger Gold May 20, 5c.

Winnipeg Stock Exchange

(Transactions for week to May 6)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close May 8
..	..	Calgary & Ed. Corp.	1000	.46	.46	.46
..	..	Central Manitoba	3300	.10	.09	.10
7	..	Crescent Cream. pref.	10	30	30	30
..	..	Man. Flin Flon	5000	.01	.01	.01
..	..	Noble Five	3500	.12½	.12½	.12½
6.50	13.8	Reliance Grain pfd.	55	47	47	47
..	..	Winnipeg Electric c.	95	2½	2	2½

Stocks Not Traded in During Week*

	Bid	Ask
Beaver Lumber pf.	..	65
Beaver Fire	..	100
Can. Fire Ins.	45	..
City Dairy 7% pf.	..	35
City Dairy 8% pf	..	40
Great West Life	240	..
Home Investment	20	..
Nor. Mtg. part pd	..	5
Pelissiers, com.	½	..
Pelissiers, pref.	10	20
Northern Trust	..	21
West. Breweries	1	1½
Traders' Bldg. Ass.	..	72
Can. Amer. Tr. shs.	..	3
Fundamental Ser. A	..	4½
Fundamental Ser. B	..	4
Group Inc. shs.	3.80	4.20

*Stocks more active on other exchanges not included.

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotaiton giving an idea of approximate price is better than none at all.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.

May 8th 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Oct.	83.00	5.78
Alberta	5	1 July, 1943	1 July	90.00	6.32
Alberta	6	1 Mar., 1947	1 Sept.	98.00	6.21
*British Columbia	4½	1 Oct., 1953	1 Oct.	84.00	5.85
*British Columbia	5	15 Jan., 1948	15 July	90.00	6.02
British Columbia	6	15 Feb., 1947	15 Aug.	98.00	6.21
Manitoba	4	1 July, 1947	1 July	79.00	6.22
*Manitoba	5	2 Dec., 1959	2 June	88.00	5.90
Manitoba	6	1 Apr., 1947	1 Oct.	97.50	6.26
*New Brunswick	4	1 June, 1948	1 June	89.30	5.00
*New Brunswick	4½	15 June, 1936	15 June	100.00	4.75
New Brunswick	5½	1 May, 1950	1 Nov.	103.00	5.23
*Nova Scotia	4½	15 Nov., 1948	15 May	98.50	4.64
Nova Scotia	5	1 May, 1943	1 Nov.	101.00	4.87
*Ontario	4½	1 Sept., 1944	1 Sept.	100.50	4.44
Ontario	5	15 Oct., 1948	15 Oct.	103.00	4.72
Ontario	5½	1 Feb., 1947	1 Aug.	107.00	4.80
P. E. I.	4	1 Apr., 1939	1 Oct.	94.85	5.00
P. E. I.	6	1 May, 1947	1 Nov.	107.35	5.25
*Quebec	4½	1 May, 1961	1 Nov.	100.00	4.25
*Saskatchewan	4½	1 Sept., 1955	1 Sept.	80.00	6.15
*Saskatchewan	5	1 Nov., 1959	1 Nov.	87.00	5.98
Saskatchewan	6	15 Mar., 1952	15 Sept.	96.50	6.32
*Newfoundland	5	31 Dec., 1952	30 June	71.00	7.91
*Newfoundland	5½	1 July, 1939	1 July	76.00	10.70
*Newfoundland	6½	30 June, 1936	30 June	87.00	11.75
Cities					
*Montreal	5	1 Sept., 1963	1 Sept.	102.50	4.84
*Toronto	4½	1 Jan., 1955	1 July	95.95	4.80
*Vancouver	5	15 Jan., 1970	15 July	83.00	6.17
Winnipeg	5	1 Mar., 1944	1 Sept.	89.00	6.40
*Edmonton	5½	1 Apr., 1947	1 Oct.	85.00	7.22
Calgary	5	1 Jan., 1943	1 July	79.60	8.00
Halifax	6	1 July, 1951	1 July	108.80	5.26
Saint John	5	16 Dec., 1950	15 June	96.35	5.25
Regina	4½	1 July, 1950	1 July	71.00	7.50
Victoria	5	21 July, 1945	21 July	87.30	6.50
Quebec	5	1 June, 1948	1 June	102.00	4.81

*Payable in New York.

Listed Bond Quotations

Week Ending May 8

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Low
Abitibi, 1st mtge.§	5	1953	...	16	...	...	18	13
Asbestos	5	1942	...	21	...	...	*65½	49
Asbestos, 1st mtge.	6	1941	...	5½	...	...	*20	14
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can Cons. Rub.	6	1946	...	...	...	...	62	...
Can. Cottons	5	1940	...	...	...	...	*91	90
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Locomotive	6	1951	...	...	...	...	19⅞	19⅞
Can. Pr. (Laur.)	5½	1958	...	†5	...	...	*7	5
Do. (Way. Ser.)	5½	1958	...	...	...	...	*28½	5¼
Can. S.S. Debs.	5	1943	...	68	...	...	*83½	...
Cedars Rapids	5	1953	...	...	...	...	108	108
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	1.00	1.00	...	1.50	1.00
Mex. L. & Pr.	5	1940	...	55	...	...	*73½	70½
Mtl. L.H.&Pr. debs.	3	1939	...	42⅞	42½	41½	43	39½
Mont. Tr. 1st mtg.§	5	1941	5.70	95½	...	...	98½	95½
Mont. Trams. "A"§	5	1955	8.25	...	67½	...	77½	58
Do., G. & Ref. "B"	5	1955	7.47	...	...	...	73½	...
Do., "C"	4½	1955	9.03	...	...	...	57	57
Do., "D"	5	1955	7.14	...	...	...	77⅛	76½
N. S. Steel	5	1959	...	†78	...	...	*62½	59
Ontario Steel	6	1943	...	...	80	...	80	...
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§	6	1940	...	103	...	...	*102½	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	...	...	...	*86	...
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	...	...	...	...	*102½	...
Dominion Govt. Bonds (Montreal)								
War Loan§	5	1937	...	109.00	....	....	116.25	114.25
Victory Loan	5½	1933	4.48	100.20	....	....	100.75	100.00
Do.	5½	1934	4.28	101.35	....	....	102.60	101.35
Do.	5½	1937	3.18	106.75	....	....	110.50	109.75
Do., refund	4½	1940	4.54	100.00	....	....	101.25	99.70
Do., refund	5	1943	4.58	103.00	....	....	103.37	101.85
Do., refund	4½	1944	4.50	99.80	....	....	99.75	98.75
Do., refund	4½	1946	4.55	98.50	....	....	*92.25	91.50
Do., renewal	4	1952	4.57	92.75	....	....	93.25	91.63
Conversion Loan	4½	1956	4.60	93.00	....	....	98.50	97.00
Do.	4½	1957	4.78	97.75	....	....	98.25	96.00
Do.	4½	1958	4.62	98.00	....	....	99.37	97.75
Do.	4½	1959	4.64	99.00	....	....	100.15	97.50
Nat. Service Loan.	5	1936	4.15	102.00	....	....	103.25	101.50
Do.	5	1941	4.57	102.90	....	....	103.75	100.75
Dom. Loan	4	1935	4.00	99.00	....	....	99.75	99.75

†Latest ask ‡Quotations for 1930. *For 1931. *For 1932.
None recorded in 1933 to date. §Payable in Canada and New York

Nova Scotia Government to Aid Steel Industry

From Our Own Correspondent

MONTREAL.—Nova Scotia Steel and Coal Co., recently placed in liquidation, has been assured by the Nova Scotia Government that everything possible will be done to continue its extensive operations in the province.

During the course of a speech in the Legislature, Premier Harrington stressed the immediate need for assistance to the industry, not only in coal operations but also in working the iron ore deposits at Wabana, Nfld.

Not only was a large investment at stake, Premier Harrington pointed out, but the livelihood of about 3,300 men and their families in Cape Breton, Pictou County and Wabana depended on the outcome of present efforts to rehabilitate the company.

Index to Mining Stocks

The weighted index number of twenty mining stocks computed by the Dominion Bureau of Statistics on the base 1926=100, was 82.1 for the week ending May 4, as compared with 80.6 for the previous week.

Eleven gold stocks rose from 77.3 to 77.9, four gold-copper stocks from 101.9 to 105.4, and five silver and miscellaneous stocks from 81.3 to 81.8.

ESTD 1857
Grain Merchants Shippers & Exporters
75 Years' Experience in Domestic and Foreign Marketing of Grain
Pioneers in the Exporting of Grain from Western Canada
Correspondents in Every Foreign Port where Canadian Grain is sold
JAMES RICHARDSON & SONS LIMITED
Offices:
EXECUTIVE OFFICES - WINNIPEG EXPORT OFFICES - MONTREAL, VANCOUVER
KINGSTON-TORONTO-CALGARY-EDMONTON-MOOSE JAW-SASKATOON-REGINA

N. BAWLF GRAIN CO. LTD.
ESTABLISHED 1881
HEAD OFFICE — WINNIPEG, MAN.
Branch Offices:
CALGARY, ALTA.; EDMONTON, ALTA.; YORKTON, SASK.
Owning and operating 150 country elevators and
BAWLF TERMINAL ELEV., PORT ARTHUR, ONT.
CAPACITY 2,500,000 BUS.

The Alberta Pacific Grain Company Limited
(Licensed and Bonded with the Board of Grain Commissioners)
- OPERATING -
375 Country Elevators
Terminal Elevators at Vancouver
Capacity 6,500,000 Bushels
275 Coal Sheds
Offices:
WINNIPEG - CALGARY - VANCOUVER

THE CANADIAN CONSOLIDATED GRAIN COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants—Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

Northern Elevator Company Limited
Incorporated 1893
OLDEST ESTABLISHED GRAIN FIRM IN CANADA
40 YEARS OF CONTINUOUS PUBLIC SERVICE
Head Office:
GRAIN EXCHANGE — WINNIPEG, MAN.

NORRIS GRAIN COMPANY LIMITED
Grain Exchange—Winnipeg 197 Bay Street—Toronto
PRIVATE WIRE SERVICE
Consignments and Futures Solicited
Offices:
Liverpool, London, Chicago, New York, Toledo, Kansas City

WESTERN GRAIN COMPANY LIMITED
Country Elevators Serving the Producers
in
MANITOBA, SASKATCHEWAN AND ALBERTA
WESTERN TERMINAL ELEVATOR, FORT WILLIAM
Cash and Futures Business Solicited
HEAD OFFICE: GRAIN EXCHANGE, WINNIPEG

RELIANCE
GRAIN COMPANY LIMITED
Owners and Operators Country Elevators and Terminals
Exporters and Shippers
New York:
Smith Murphy Co. Inc., 510 Produce Exchange
Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

Insurance Rates Reduced on Hudson Bay Traffic

Reduction of one third in marine insurance rates on cargo through the Hudson Bay route has been obtained by Saskatchewan in an agreement with Lloyds of London, effective May 1, according to an announcement made by the Saskatchewan government.

New rates are: July 10 to Aug. 10, 1.25 per cent.; Aug. 10 to Oct. 10, one per cent.; Oct. 10 to Nov. 10, 1.75 per cent. Lowest rate quoted on last year's shipment was 1.25 per cent., while rates for the period from July 10 to Aug 10 were considerably higher.

Winnipeg Grain Prices

Week to May 9

Crop year from Aug. 1, 1932 High	Low		Open May 3	High for week	Low for week	Close May 9
		Wheat				
.67⅝	.40½	May	.62	.66¼	.61⅛	.61⅞
.67⅝	.41⅝	July	.63	.67⅝	.62⅝	.62⅞
.69⅞	.46⅝	October	.65½	.69⅞	.63	.64⅞
		Oats				
.29⅝	.21⅛	May	.27¼	.29⅝	.27¼	.28⅝
.30¼	.21½	July	.27⅞	.30⅛	.27⅞	.29
.29⅞	.21⅞	October	.27½	.29⅞	.27½	.29
		Barley				
.38½	.26⅛	May	.35	.35⅞	.34¼	.34⅝
.37½	.26	July	.36	.37½	.35¼	.35⅝
.39	.27¼	October	.37¾	.39	.37	.37¾
		Flax				
1.05½	.71¼	May	1.01¼	1.05½	.96¼	1.01
1.08	.71⅝	July	1.03	1.08	.98	1.02
1.10	.76	October	1.06	1.10	1.01	1.04½
		Rye				
.45⅞	.30¼	May	.41	.45⅞	.40⅞	.42⅝
.46	.31	July	.42¼	.46	.41⅝	.42⅝
.48¼	.34	October	.44½	.48⅛	.43¼	.44½

This Week in Wheat

From Our Grain Correspondent

Enthusiasm Wanes

WINNIPEG—When the markets of both Chicago and Winnipeg experienced sharp checks at the market session in the early part of this week it appeared that enthusiasm based on inflation in the United States had temporarily run its course, a large part of the rise in wheat prices expected as the result of an altered value of the dollar had already taken place, and there was a tendency to pause and check up as to actual probabilities of the situation. As soon as there appeared a reversal of the long continued upward trend there was a good deal of profit-taking in both markets, without a volume of new buying sufficient to sustain the rise.

In the South there appeared to be hesitation to take on new commitments in view of the feeling that the United States government crop report was bound to show a somewhat better estimate of winter wheat than suggested by the last report, in view of very good rains which have taken place during the past two weeks in Southwestern states. The trade feels that the prospects for total wheat production in the United States are not better, and that what has been gained in winter wheat is fully offset by unsatisfactory prospects in the spring wheat states, but the report itself was expected to have some bearish effect.

* * *

Seeding Progress

WHILE a great deal of progress has been made with seeding during the past week, heavy rains in southern Alberta and southern Saskatchewan have caused operations to be suspended for several days. Farmers in these areas now expect to continue their operations to a much later date than usual, but these districts, not so susceptible to early fall frosts as the northern parts of the provinces, do not seem to be alarmed at the prospects of delay. Southern Alberta has now been very plentifully supplied with moisture, and while southern Saskatchewan is still deficient in sub-soil moisture there is plenty near the surface to insure a satisfactory start for the crop. Some parts of southern Saskatchewan claim to be much better supplied than since the beginning of the long drought, and the early beginning of good rains is thought to be an indication of satisfactory precipitation later in the season.

Farmers throughout the West have been much encouraged by the rise in wheat prices as well as by prospects for crop production, and efforts toward getting in the seed, in order to overcome the handicap of the late beginning of the seeding season, have undoubtedly been stimulated. But on account of lateness of beginning and subsequent interruptions, together with a limitation of farmers' capacity to work as rapidly as when tractors were more extensively employed, it is quite possible that the reduction in acreage seeded to wheat will amount to more than a million and a half acres, or well above the five per cent that a few weeks ago seemed a reasonable estimate.

* * *

Lake Shipments

MOVEMENT of wheat from Port Arthur and Fort William to lower lakes and river points has been somewhat disappointingly slow, and as a result the ports at the head of the lakes have seen many vessels waiting for cargoes. To some extent the lake transshipment of grain goes on independently of actual export from the country, the forwarding companies frequently moving grain well in advance of the time when it is required for ocean shipment. But a slow export movement brings about conditions that make forwarders reluctant to take many risks in piling up stocks unduly. There seems in addition to have been some delay in making commitments due to expectation that the Board of Grain Commissioners might be moved to take the action that was announced last week, that of reducing the allowable lake rate to Montreal from six and a half to six cents a bushel, as they are empowered to do under recent changes in the law.

* * *

Spasmodic Buying

SALES of wheat for export have continued to be both slow and spasmodic, with occasional days of very heavy transactions. When business has come it has come with a rush, with exporters waking in the morning to discover that their connections on the other side have accepted everything offered to them over-night. On several occasions, as was the case last week, exporters have had to enter the market for some heavy buying to cover the commitments thus effected, with a resulting sharp up-turn in price. The loss in such case has been compensated for by advance in the value of sterling, and as a rule it has been fluctuations in exchange rates that have brought about heavy buying.

The rapid changes in exchange rates are regarded by exporters as a very severe handicap on Canadian wheat, for Australia, practically independent of United States influences, and the Argentine, more independent than is Canada, have been able to continue business transactions with much less interruption than has this country. At times the dangers of the exchange situation have limited the willingness of exporters to make offers overseas. Their business, it is recognized, cannot be conducted without some margin of speculative risk, but most firms dislike taking any greater speculative position than is absolutely necessary, in view of the small margin of profit on which the business is regularly carried on.

* * *

CANADA had another week of fairly good export clearances, the total for North America last week being 5,200,000 bushels nearly all of it Canadian, out of total world shipments of 12,000,000 bushels. But these clearances are in considerable measure in fulfilment of contracts made some time ago, and there is apprehension that we shall run into a period of small clearances, due to the small extent of export contracts made during recent weeks, when exchange conditions have frequently put export business out of the question.

Grain and Milling

WHEAT USED IN HEDGING MONEY DEALS

Traders Feel Support Comes Largely From Financial Centres

BIG MARKET FACTOR

Changes in Gold Value of Dollar Reflected by Wheat Market — Gold Value Higher

From Our Own Correspondent

WINNIPEG. — Current wheat market movements can only be understood if considered in relation to money markets of the world. Not only have changing values on the Winnipeg Grain Exchange reflected a changing valuation of the Canadian dollar in terms of gold and of international exchange, but a considerable volume of transactions there have been undertaken, not primarily in connection with the merchandising and movement of wheat, but in relation to actual and prospective changes in the values of different world currencies.

Fluctuations in the exchange value of the dollar have been so instantaneously reflected in the wheat market that it can only be supposed that financial interests not usually concerned with wheat have been using the wheat market to hedge themselves against losses in exchange, just as grain exporters when grain is being exported, are accustomed to hedge themselves in the exchange market to protect their transactions in grain.

It is not possible, of course, to trace the source of buying of wheat futures in the markets of Winnipeg, Chicago and Liverpool that has taken place during the past two months. Much of it, however, appears to have been unrelated to the ordinary grain trade, and to have originated from financial centres rather than from ordinary dealers in grain and flour, or the speculative public which is ordinarily concerned in the market. Indeed, without such buying it is difficult to see how the market could have broadened to the extent necessary to sustain the rise that has taken place.

Fall in Gold Value

Advance in Canadian wheat prices can be traced to several distinct factors, one of which, the fall in the gold value of the Canadian dollar, has been somewhat obscured by the rise which has taken place in that dollar in terms of United States exchange, and also because greater attention has been given to the rise of sterling in terms of Canadian and United States funds than to the relation of sterling to gold. But just before financial events in the United States began to take form on March 4, gold, whether United States dollars or French francs, commanded a premium of about 20 per cent in Canadian funds. On the basis of the French franc, the premium has risen to more than 31 per cent. Revising the figures the Canadian dollar was at about 83 1/3 per cent of gold parity, as against a recent rate of about 76 1/3.

Since the Canadian dollar has dropped about 10 per cent in international value, international prices expressed in Canadian dollars have tended to rise about 10 per cent. Just before March 4, Canadian wheat was quoted in Liverpool at the equivalent of about 60 cents in Canadian funds. A ten per cent change in the value of the dollar added about 10 per cent of that, or 6 cents a bushel to the price of Canadian wheat, a rise which means a higher percentage when it is carried back to the Winnipeg market, and a still higher percentage when it is applied to the price paid to the farmer in the country. But the international price of wheat, as expressed in the gold equivalent of sterling prices on the Liverpool market has also risen about 10 per cent. Of this a fractional part has been due to a rise in the gold value of sterling, but most to a rise in sterling quotations for wheat on the British market.

Low Argentine Price

It is difficult to be exact as to the extent in rise of the British wheat price level. If Liverpool futures alone are considered it has to be taken into account that Argentine wheat is deliverable thereon, and as it is selling below a normal price relationship with other wheat, because of low quality, the futures quotations do not fully reflect price improvement. On the other hand, actual prices offered for Canadian wheat are sometimes maintained because of small offerings, and do not show the level at which a large business could be done.

On these two accounts mentioned it is possible to account for from 12 to 13 cents of the advance in quotations on the Winnipeg market, and more to the extent that the depreciation in gold value of the Canadian dollar since March 4 exceeds 10 per cent. The Winnipeg market has frequently been out of line with Liverpool as the advance here has anticipated actual changes in conditions, but subsequent changes have again brought the two together.

Prices In U. S. A.

Applying similar considerations to the market in the United States, a very large part of the advance in quotations for wheat appears to have been due to changing estimates of the value of the United States dollar. Just why changes in that value should be reflected in wheat price quotations which are so much out of line with international markets that exchange transactions do not affect them is not altogether clear. But the country made up its mind that depreciation of the dollar was going to be reflected in commodity prices, and this state of mind tended to bring about the condition anticipated.

Calculating depreciation at the rate of 15 per cent from gold parity, as was reflected in recent exchange quotations, that should be translated into wheat prices, not on the basis of Chicago quotations, but rather on prices prevailing in consuming centres, after freight is paid, and it is to be remembered that domestic freight rates are higher than export rates, so the cost of wheat to the American consumer is likely to be as much as to buyers abroad. The level of $1 a bushel has been reached and passed in New York, and close to 15 cents of that could be attributed to the changed value of money.

At all events, whoever undertakes to forecast the course of wheat prices must concern himself more at the moment with problems of currency than with the supply and consumption of wheat.

LAKE OF WOODS WESTERN BAKERY HAS OFF SEASON

Inter City Western Earnings Drop — Management Change Effected

From Our Own Correspondent

MONTREAL. — Adverse conditions in the territory served combined with competition from cheaply operated small and large bakeries, affected earnings of Inter-City Western Bakeries, subsidiary of Lake of the Woods Milling Co., to such an extent that bond interest was unearned before depreciation. Bond interest due on May 1, 1933, was deferred.

Gross income during the twelve months ended January 28, 1933, totalled $86,769 compared with $131,888 in the previous year. After providing for all senior charges and reserves for depreciation and bad debts there was a deficit for the year of $115,090 as against $66,429 in the 1932 fiscal year.

Larger Deficit Shown

Details of the income account follow:

	1932	1933
Operating profit	131,888	86,769
Less: Expenses	25,622	25,576
Depreciation	50,000	50,000
Bond int.	97,500	96,788
U. S. exchange	5,748	15,869
Bad debt res.	19,477	13,627
Deficit	66,429	115,090
Brought forward	55,476	†142,147
Carried forward	*121,905	*257,237

†Adjusted. *Deficit.

Lake of Woods Advances

Inter City Western's balance sheet at January 28 last showed total assets of $3,645,820, as against $3,571,673 a year ago. Current liabilities registered a substantial increase, largely owing to advances of $64,406 made by Lake of the Woods to its subsidiary.

During the year the funded debt was reduced $43,800 to $1,456,200. This represents the initial workings of the sinking fund which commenced last November.

The company also has a bond redemption reserve of $18,499.

Change in Management

A general reorganization in management took place during the year. Brig.-Gen. F. S. Meighen replaced G. C. Morrison as president. C. H. G. Short became vice-president and general manager in succession to James M. Speirs. Messrs. Morrison, Spiers, N. Addems and Wise resigned from the board and W. S. Hastings, Hugh Mackay, K.C., Jas W. Pyke and R. W. Reford were elected to fill the vacancies.

SPILLERS RETAINS STRONG POSITION

Working Capital is Improved — Surplus is Increased

Spillers Ltd. had a profit of £515,164 in the year ended January 31, 1933, of which £353,446 was profit on operations after depreciation, income tax and bonuses, and £161,719 was profit on sales of investments, after provision for losses on sales and depreciation. In the preceding year profit was £549,185. Investment reserve was increased by £150,000 and the net profit available for dividends was £323,303.

Cash was increased to £232,143 from £55,410; accounts receivable to £530,673 from £516,892; inventories to £980,482 from £946,784. Investments in government bonds and in subsidiary companies show little change but reduction in other investments reduce the amount of investments and loans to £3,594,037 from £3,693,517. Current liabilities are higher but working capital has been increased to £3,951,709 from £3,754,443.

Fixed assets are valued at £2,585,090 after reserve for depreciation, etc. General and specific reserves have been increased to £2,550,000 from $2,400,000. There is £175,350 of 5½ per cent notes outstanding, £1,143,023 of 6 per cent preferred stock; £1,810,893 of ordinary stock; £832,795 of deferred ordinary stock and £29,408 of co-partnership shares. Income and surplus account is as follows:

PROFIT AND LOSS ACCOUNT
Years Ended Jan. 31

	1933 £	1932 £
Profit†	*515,164	549,185
Less:		
Loss on sale of invest.	......	24,829
Directors' fees	34,500	34,500
Bond interest	7,361	12,779
Trans. to benefit fund		125,000
Trans. to invest. res.	150,000	......
Balance	323,303	352,077
Ord. dividend	......	140,844
Ord. interim div.	33,954	33,954
Pref. dividend	51,436	51,436
Co-partner div.	......	584
Surplus	237,913	126,759
Prev. surplus	‡162,405	275,890
Less: Addit. dir. fees	......	5,416
Bal. carried forward	§400,318	396,233

*Less losses on sale of investments, and depreciation of investments written off. †After making provision for depreciation, obsolescence of buildings, plant and machinery, income tax and staff bonus. ‡After payment of final dividends. §Before payment of final dividends.

Cut Wheat Freight Rate Ft. William to Montreal

Freight rates on wheat from Fort William to Montreal were reduced from 6½ cents to 6 cents a bushel by order of the Board of Grain Commissioners.

It is understood a rate of 6½ cents has been charged to Montreal while shipments have been made to Sorel and Quebec at 6 cents a bushel.

CANAD. VICKERS FAIL TO COVER BOND INTEREST

Sales Off 40 Per Cent for Past Year — Bank Loan of $72,000

From Our Own Correspondent

MONTREAL.—With sales approximating 60 per cent of those in the previous year, earnings of Canadian Vickers for the twelve months ended February 28, 1933, were insufficient to take care of bond interest requirements.

The income account shows a net profit from operations before providing for interest and depreciation of $67,322. Inasmuch as the company received a subsidy of $105,000 from the Dominion Government, there would appear to have been a net operating deficit of about $38,000 before taking this item into consideration. During the 1932 fiscal year net profits from operations, including the subsidy, totalled $409,010.

Deficit Grows Larger

Particulars of the income account, which also includes discount on bonds redeemed, follows:

	1932-33 $	1931-32 $	1930-31 $
Oper. profit	67,322	409,010	637,069
†Oth. inc.	32,518	15,680	17,078
Total	99,840	424,690	654,147
Bond int., etc.	177,209	158,513	162,507
Balance	*77,369	266,177	491,640
Deprec.	195,647	195,970	195,534
Net inc.	*273,016	70,207	296,106
*Reserves	79,000	65,000	92,000
Balance	*352,016	5,207	204,106
Prev. bal.	152,243	*156,880	*347,913
P. & L. bal.	*504,259	*151,673	*143,807

†Discount on bonds redeemed.
*For contingencies, inventories and doubtful accounts. *Debit balance.

WORKING CAPITAL POSITION

	1932 $	1931 $
Current assets	887,219	1,145,857
Current liabs.	210,312	117,246
Excess	676,907	1,028,611

Changes in Debt

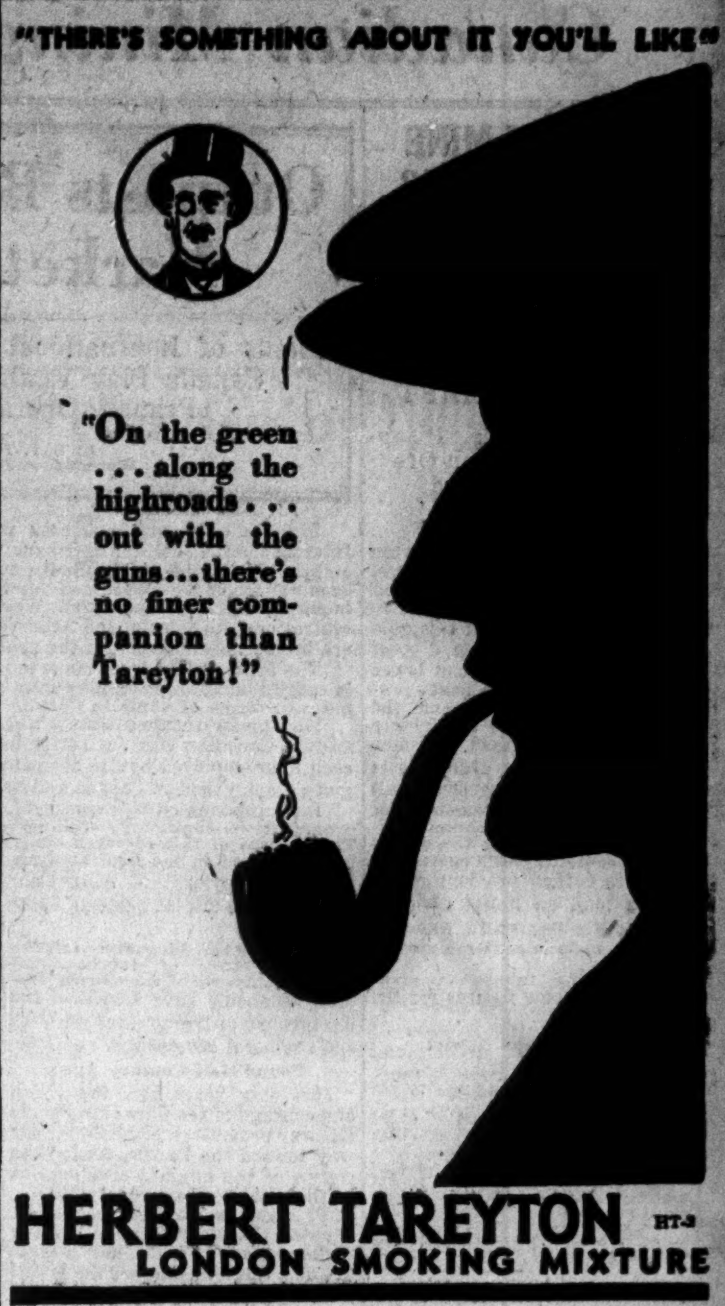
The balance sheet at February 28, 1933 reveals a number of changes. Assets aggregate in value $7,168,507 as compared with $7,598,271 a year ago.

A bank loan of $72,000 makes its initial appearance in the 1933 statement. The funded debt of the company has been reduced from $2,603,000 to $2,506,500. In addition the debt of the Montreal Dry Docks Ltd., a fully owned subsidiary, was reduced $32,500 to $564,500. A maximum guarantee of $7,500 in connection with a contract between the Bristol Aeroplane Co. and Bristol Aircraft Engines of Canada has been eliminated.

Advances to Dry Dock

Advances to subsidiary — Montreal Dry Dock—showed an increase during the year from $160,829 to $204,847.

The $300,000 of preferred stock subscribed and allotted continue to be only partially paid, this item appearing among assets at $270,000.


"THERE'S SOMETHING ABOUT IT YOU'LL LIKE"
"On the green ... along the highroads ... out with the guns ... there's no finer companion than Tareyton!"

HERBERT TAREYTON H.T-3
LONDON SMOKING MIXTURE

Mining Stock Quotations

Week Ending May 8.

Par Val.	Range 1933 High	Low	Company	Sales	Close May 1 (or last)	High for week	Low for week	Close May 8
1	.05	.02	Abana	......	.03	.....	.....	.....
1	.01½	.00½	Aconda	......	.01	.....	.....	.....
No	*.15	.15	Aldermac	......	......	.....	.....	.....
1	.03½	.01	Alexandria	40,000	.01½	.02½	.01½	.01½
No	.05½	.02½	Algoma	24,000	.03	.02½	.02½	.02½
1	.01	.00½	Algonquin	......	.00½	.....	.....	.....
1	.01½	.00½	Amity C.	1,050	.01	.01½	.01	.01
No	.25½	.10	Amulet	26,960	.20½	.23	.19	.23
1	.01	.00½	Apex	......	.00½	.....	.....	.....
1	.03½	.02	Area	4,500	.02	.02	.02	.02
No	.04½	.01½	Arno	123,750	.02½	.02½	.02½	.02½
1	1.36	.74	Ashley	1,310	1.30	1.30	1.20	1.25
1	.14	.02½	Bagamac	54,300	.06½	.08	.06½	.07½
1	.03	.00½	Baldwin	......	.00½	.....	.....	.....
1	.20	.08	Barry Hollinger	47,650	.10½	.09½	.08	.09½
No	1.42	.75	Base Metals	17,400	1.32	1.42	1.32	1.37
No	1.00	.98	Beattie	......	.98	.....	.....	.....
1	.24	.08	Big Missouri	106,400	.16½	.24	.16½	.24
1	.18	.08½	Bobjo	63,600	.11	.13	.11	.13
No	6.35	2.28	Bralorne	16,365	5.10	6.35	5.10	5.90
1	.25	.15	Brett Trethewey	9,200	.18	.19	.16½	.18½
1	.03½	.01½	Brownlee	88,000	.03	.03½	.02½	.03½
1	.01	.00½	Buckingham	2,000	.00½	.00½	.00½	.00½
No	.04½	.02	Buffalo Can.	2,000	.02½	.02	.02	.02
No	.03½	.01½	Bunker Hill	14,000	.03½	.03½	.03½	.03½
5s	1.10	.60	B'Wana McKubwa	100	.65	1.10	1.10	1.10
No	.04	.02½	Canam Metals	......	.04	.....	.....	.....
1	.12½	.03	Can. Kirkland	17,750	.04	.05	.04½	.04½
1	.01	.00½	Capital Rouyn	......	.00½	.....	.....	.....
1	.03½	.01	Cartier Malartic	5,500	.01	.03	.02	.02½
1	.48	.15	Castle Trethewey	77,800	.39	.48	.36	.46
1	.15	.05	Cen. Manitoba	20,650	.10	.11	.10	.10½
1	.28	.17	Cen. Patricia	12,900	.20	.24	.19½	.24
No	.11	.03	Chibougamau Pros.	32,500	.07½	.08½	.07	.08½
	.10½	.03	Church. M. & Mill.	1,700	.03	.06	.06	.06
No	.02½	.00½	Clericy	9,000	.01½	.01½	.01	.01½
	.01½	.01	Clifton Cons.	......	.01	.....	.....	.....
5	3.90	1.65	Coast Copper	4,415	3.25	3.90	3.25	3.50
1	.05	.00½	Cobalt Contact	23,000	.02½	.03	.02½	.03
1	.11	.05	Columario	20,000	.07	.09	.07	.09
5	1.05	.75	Coniagas	700	.75	1.05	1.05	1.05
No	.45	.20	Coniaurum	28,566	.38	.45	.38	.43
25	98.25	54.00	Cons. Smelters	11,560	93.00	98.25	91.50	95.00
No	23.15	13.60	Dome Mines	45,335	19.05	23.15	19.50	22.75
No	.08	.03½	Dom. Explorers	15,500	.04½	.05	.04½	.05
1	.01	.00½	Dominion Kirk.	1,000	.01	.00½	.00½	.00½
1	.04	.01	Don Rouyn	14,000	.01	.01	.01	.01
1	.04½	.02	Duparquet	1,580	.02	.02	.02	.02
1	1.61	1.16	Eldorado	19,270	1.49	1.55	1.48	1.55
No	3.20	1.80	Falconbridge	20,315	2.95	3.20	2.90	2.95
1	.02½	.01	Federal	......	.01½	.....	.....	.....
No	.02½	.01½	Flintoba	......	.02½	.....	.....	.....
No	.03	.01	Gilbec	25,200	.02½	.03	.02½	.03
1	.07	.04	Goldale	14,000	.06½	.06½	.06½	.06½
10	.18	.10	Goldfield	5,600	.15	.18	.16	.16
	.01½	.01	Gold Reef	......	.01	.....	.....	.....
1	.04½	.02	Goodfish	2,000	.02½	.03	.03	.03
1	.03½	.01	Graham	1,000	.01½	.01½	.01½	.01½
1	1.95	1.19	Granada	97,295	1.37	1.66	1.38	1.60
1	.08	.06	Groselle	4,000	.07	.06	.06	.06
1	.30½	.24	Halcrow	9,500	.28½	.30	.29½	.30
1	.04½	.02	Harker	11,000	.03½	.04½	.03½	.04½
1	.01½	.00½	Hilltop	4,000	.00½	.00½	.00½	.00½
5	9.35	6.00	Hollinger	66,740	8.90	9.35	8.80	9.30
1	.95	.61	Howey Gold	122,385	.81	.89	.80	.86
No	7.50	3.10	Hudson Bay	8,067	6.50	7.50	6.50	7.10
No	.40	.25	Huronian	......	.34	.....	.....	.....
No	16.40	8.00	Int. Nickel	108,448	16.00	16.40	15.25	15.50
1	.02	.00½	Jackson Manion	......	.01½	.....	.....	.....
1	.40	.20	Keeley	11,700	.40	.40	.36	.40
1	.02	.00½	Keora Mines	......	.00½	.....	.....	.....
1	.76	.48	Kirk. Hud. Bay	3,200	.55	.55	.52	.55
1	.02½	.00½	Kirk. Hunton	1,000	.00½	.00½	.00½	.00½
1	.52	.30	Kirkland Lake	53,650	.36	.39	.34½	.37
1	.03	.01½	Kirkland Premier	8,000	.01½	.02	.02	.02
1	.22½	.12	Kirk. Townsite	22,050	.16½	.19	.16	.19
20c	.01½	.00½	Koot. Florence	122,200	.01½	.01½	.01½	.01½
1	.35	.15	Lakeland	1,000	.18	.15	.15	.15
1	.18½	.08	Lake Maron	270,550	.14½	.18½	.14½	.16
1	40.00	30.75	Lake Shore	19,149	36.15	38.50	36.25	38.25
1	.08	.02½	Lebel Oro	67,196	.06½	.08	.06½	.07½
1	.45	.20	Macassa	356,635	.35½	.45	.35	.45
1	.14	.05	Malartic	39,600	.12	.14	.12	.14
1	.02½	.01	Malrobic	41,500	.01½	.02	.01½	.01½
No	.08	.02½	Mandy	11,300	.05½	.07½	.06	.06
No	.03	.01	Manitoba Basin	7,000	.01½	.01½	.01½	.01½
5	29.75	21.20	McIntyre	23,661	28.00	29.50	27.75	29.00
1	.50	.30	McKinley	......	.41	.....	.....	.....
No	.08	.02½	McLeod River	360,600	.03½	.05½	.03½	.05½
1	.17	.03	McMillan	6,000	.17	.17	.15	.17
No	.75	.46	McWatters	22,600	.57	.62	.57	.62
1	.41	.15	McVittie	36,496	.39	.40	.37½	.38
5	1.00	.08	Mentor Exp. & Dev.	......	.55	.....	.....	.....
No	1.80	1.20	Mining Corp.	13,735	1.63	1.64	1.53	1.61
1	.03	.01½	Moffatt Hall	40,000	.02½	.02½	.02	.02½
1	.06½	.02	Moneta	......	.05	.....	.....	.....
1	.00½	.00½	Montreal Rouyn	......	.00½	.....	.....	.....
1	.40	.11½	Moss	126,990	.13	.15	.11½	.14½
1	.02½	.00½	Murphy	1,500	.01½	.01½	.01½	.01½
No	.05	.02½	Newbec	14,100	.03	.03½	.02½	.03½
1	.06	.01½	Night-Hawk Penn.	49,800	.03	.05	.03	.04½
5	2.12	1.15	Nipissing	16,244	1.91	2.12	1.85	2.12
No	28.75	19.75	Noranda	45,126	27.25	28.75	26.60	27.25
No	.52	.32½	Nor. Canada	9,200	.40	.40	.36½	.38
No	.27	.19½	Normont-Gold	12,750	.24	.27	.24½	.26½
No	.02½	.00½	Old Colony	16,000	.01½	.01½	.01	.01½
1	.14	.05	Osisko	500	.08	.09½	.09½	.09½
1	.26	.11	Parkhill	44,890	.23	.26	.23	.26
1	.03½	.01½	Pawnee Kirk.	......	.02½	.....	.....	.....
1	1.00	.50	Pend Oreille	4,760	1.00	1.00	.94	.98
1	.01½	.00½	Peterson Cobalt	1,000	.01	.01½	.01½	.01½
1	10.40	4.30	Pioneer Gold B.C.	96,335	7.90	10.40	7.95	10.25
1	.01½	.00½	Porcupine Crown	1,000	.00½	.01	.01	.01
1	.01	.00½	Potter Doal	1,000	.00½	.00½	.00½	.00½
1	.82	.55	Premier Gold	16,125	.70	.73	.70	.72
1	.02½	.00½	Preston E. Dome	......	.00½	.....	.....	.....
No	1.05	.68	Prospectors Air's.	5,000	.80	1.05	.90	1.05
No	*1.00	1.00	Quebec Pros.	......	.....	.....	.....	.....
No	.15	.03	Quemont	2,550	.08	.09	.05	.09
1	.02½	.00½	Ribago	500	.00½	.00½	.00½	.00½
1	.03	.01½	Ritchie	8,000	.01½	.01½	.01½	.01½
1	.04	.01	Robb Montbray	6,000	.01½	.02	.01½	.02
1	1.21	.75	San Antonio	85,177	1.03	1.18	1.03	1.15
1	.03	.03	Seven Troughs	......	.03	.....	.....	.....
1	.74½	.33	Sherritt Gordon	166,914	.57	.74½	.56½	.72
1	1.77	1.25	Siscoe	180,310	1.52	1.67	1.52	1.62
1	.10½	.02½	South Keora	5,500	.03½	.03	.02½	.02½
No	.06	.01½	Stadacona	342,500	.02½	.02½	.02	.02½
1	.14	.07	St. Anthony	7,200	.09½	.10½	.09	.10½
No	1.30	.60	Sudbury Basin	37,700	1.10	1.30	1.06	1.27
1	.06½	.00½	Sudbury Contact	45,000	.05	.05½	.05	.05
1	.01½	.00½	Sudbury Mines	......	.00½	.....	.....	.....
No	.16½	.16½	Sudbury Nickel	......	.16½	.....	.....	.....
1	.38½	.20	Sullivan	27,200	.32½	.33	.32	.32½
1	1.21	.72	Sylvanite	123,865	.88	.93	.85	.92
1	.03½	.01½	Tashota	......	.01½	.....	.....	.....
	.18½	.15½	Tashota Goldfield	......	.18½	.....	.....	.....
1	5.10	3.70	Teck Hughes	129,540	4.35	4.90	4.35	4.90
1	.10	.03	Thom. Cadillac	3,500	.05	.05½	.04½	.05½
1	.23	.10	Towagmac	12,000	.17	.23	.18	.23
1	2.00	1.00	Treadwell	500	1.36	1.35	1.30	1.35
1	.12	.04	United Kirkland	5,000	.10	.10	.10	.10
1	.06½	.01½	Vacuum Gas	33,000	.02½	.02½	.02	.02½
No	2.40	2.30	Venezuela Gold	......	2.35	.....	.....	.....
No	1.28	.80	Ventures	68,429	1.04	1.13	1.04	1.10
1	.22	.03	Vickers	21,500	.06	.05	.03	.03½
1	.45	.20	Vipond	39,395	.39	.45	.39	.43
No	.75	.23	Waite Ackerman	2,500	.50	.70	.50	.65
1	.04½	.02½	White Lake	2,000	.03½	.04	.03½	.03½
1	.08	.02	Wiltsey Coughlan	13,000	.05½	.05½	.05	.05
1	.12	.07	Wood Kirkland	9,000	.11½	.12	.11½	.12
No	5.35	3.73	Wright-Hargreaves	119,875	4.95	5.35	4.90	5.25

OIL STOCKS

Par Val.	Range 1933 High	Low	Company	Sales	Close May 1 (or last)	High for week	Low for week	Close May 8
No	.12	.08	Acme Gas & Oil	10,600	.09	.09½	.09½	.09½
1	.82	.55	Ajax	5,200	.60	.70	.60	.70
1	.16	.05	Alta. Pacific	2,300	.12	.16	.13	.16
1	.13	.05	Amalgamated	113,096	.08	.13	.07½	.12
No	.13	.04½	Associated	13,400	.06	.13	.07½	.11½
No	.05	.01	Baltac	9,800	.03	.05	.02	.05
1	*.05	.02½	Brit. Dominion	......	.....	.....	.....	.....
No	.56	.25	Calgary & Ed.	4,750	.33	.56	.50	.56
1	.08	.03	Calmont	2,700	.06½	.08	.07	.08
1	.09	.03½	Common. Pete.	1,000	.07	.09	.08	.09
No	.37½	.05	Dalhousie	6,870	.20	.37½	.24	.37½
No	.02	.02	Devenish	......	.02	.....	.....	.....
No	*.02	.00½	Dome Oil	......	.....	.....	.....	.....
No	.16	.05½	East Crest	18,900	.08	.16	.07½	.15½
	.36	.25	Eric Gas	2,600	.34	.31	.27	.27
No	.00½	.00½	Fabyan Pete.	63,000	.00½	.00½	.00½	.00½
No	.30	.06	Foothills	1,200	.10	.30	.15	.25
No	.05½	.04	Freehold	14,400	.05½	.06½	.05½	.05½
1	*.02	.00½	Great West	......	.....	.....	.....	.....
No	.04	.01½	Hargal	......	.04	.....	.....	.....
No	*.05	.02	High Sarcee	......	.....	.....	.....	.....
No	.69	.30	Home	30,650	.50	.64	.50	.64
No	*.05	.01½	Homestead	......	.....	.....	.....	.....
1	.20	.10	Homestead O. & G.	1,000	.11	.11	.11	.11
1	*.01	.00½	Illinois Alberta	......	.....	.....	.....	.....
No	*.02½	.00½	Lethbridge	......	.....	.....	.....	.....
No	*.10	.04	Lowery	......	.....	.....	.....	.....
No	*.02	.00½	Madison	......	.....	.....	.....	.....
1	.65	.14	Mayland	5,302	.38	.65	.45	.65
No	.03½	.03½	McD. Segur Ex.	......	.03½	.....	.....	.....
1	*.04	.01	McD. Segur N.	......	.....	.....	.....	.....
1	.35	.25	McLeod	3,200	.35	.38	.32	.38
No	.10	.07½	Mercury	14,775	.09½	.10	.09	.10
No	.24	.11	Merland	24,400	.15½	.24	.17	.24
No	.09	.09	Mill City Pete.	1,000	.....	.09	.09	.09
1	.20	.12	Model	400	.20	.20	.17	.20
1	*.05	.04	Monalta	......	.....	.....	.....	.....
1	*.07	.03	Moose Mountain	......	.....	.....	.....	.....
1	*.01	.01	New Federal	......	.....	.....	.....	.....
5	.20	.09	Nordon	13,300	.11	.15	.11½	.13
No	.04	.02½	Oil Selections	2,000	.03½	.03	.03	.03
No	.08	.04½	Okalta	2,500	.06½	.08	.07	.08
No	.50	.20	Olga Gas & Oil	61,700	.43	.46	.41	.42
No	.03½	.01	Penn. Pete.	......	.01½	.....	.....	.....
1	.17	.13	Petrol Oil & Gas	23,000	.15	.15	.15	.15
No	*.14	.08	Ranchmen's	......	.....	.....	.....	.....
1	*.01	.00½	Regent	......	.....	.....	.....	.....
No	*.02½	.01	Richfield	......	.....	.....	.....	.....
No	11.50	5.75	Royalite	3,077	8.00	11.50	8.00	11.40
1	.11	.05	Sarnia Oil	9,700	.06	.09½	.06	.09½
1	*.03	.01	Signal Hill	......	.....	.....	.....	.....
1	.07	.04	South West Pete.	......	.04	.....	.....	.....
1	.06	.04	Spooner	......	.06	.....	.....	.....
No	.25	.12	Sterling Pacific	1,000	.17	.25	.20	.25
1	.43½	.43	Trinidad Oil	......	.43½	.....	.....	.....
1	*.11	.07½	Turner Valley	......	.....	.....	.....	.....
No	.08	.05	United	3,000	.05	.07	.05½	.07
1	*.09½	.03	Vulcan	......	.....	.....	.....	.....
No	.01	.00½	Wainwell	......	.00½	.....	.....	.....

VANCOUVER STOCK EXCHANGE
(Transaction for Week to May 2)

Par Val.	Range 1933 High	Low	Company	Sales	Close May 1 (or last)	High for week	Low for week	Close May 8
25	.00½	.00½	Bayview	5,000	.....	.00½	.00½	.00½
20c	.06	.03½	Beaver Silver	33,150	.04	.06	.04½	.06
1	.85	.60	B.C. Silver	750	.70	.85	.85	.85
1	.17	.10	Big Slide	5,099	.15	.10	.10	.10
25c	.04½	.02	Bluebird	3,600	.04	.04½	.03	.03
No	5.90	1.38	Bralorne	31,080	4.00	5.80	3.90	5.70
1	.38	.25	Bridge River Exp.	11,500	.....	.38	.35	.37
1	.15½	.05	Bridge River Cons.	140,618	.12½	.15½	.11½	.15
100	89.00	88.50	B.C. Electric, pfd.	......	88.50	.....	.....	.....
1	2.85	1.50	Cariboo Gold	3,330	2.30	2.10	1.75	1.75
No	12.90	5.60	Coast Breweries	2,651	8.00	12.90	8.00	12.00
25c	.01½	.01	Cork Province	12,000	.01	.01½	.01	.01½
1	.02½	.02½	Cotton Belt	......	.02½	.....	.....	.....
1	.04	.02	Dalhousie Mines	......	.03	.....	.....	.....
1	.60	.28	George Copper	300	.45	.50	.50	.50
50c	*.02	.01	Geo. Enterprise	......	.01	.....	.....	.....
1	.03½	.02	Georgia River	60,965	.03	.03½	.02½	.03
1	.30	.16	Golconda	4,700	.25	.30	.25	.30
50c	.06½	.03½	Grandview	16,100	.05½	.06	.05½	.05½
1	.00½	.00½	Independence	......	.00½	.....	.....	.....
1	.01½	.01	Indian Mines	......	.01½	.....	.....	.....
1	.13½	.08½	Inter. Coal	6,500	.10	.11	.11	.11
1	*.21	.21	Jack Waite	......	.....	.....	.....	.....
25c	.00½	.00½	Kootenay King	......	.00½	.....	.....	.....
1	.01	.01	Lakeview	1,000	.....	.01	.01	.01
10c	.04	.01	Lucky Jim	26,500	.02	.04	.03	.03½
1	.30	.20	Meridian	24,000	.28	.29	.26	.27
5c	.05	.05	Metaline Metals	......	.05	.....	.....	.....
1	.01½	.00½	Morton Woolsey	......	.01½	.....	.....	.....
50c	.05	.01	National Silver	147,700	.03½	.04½	.03½	.04½
1	.80	.74	Nicola	5,400	.....	.80	.77	.79
50c	.13½	.04	Noble Five	176,400	.11½	.13½	.11½	.12½
50c	.01	.01	Oregon Copper	......	.00½	.....	.....	.....
1	8.10	4.30	Pioneer Gold	11,110	7.25	8.10	7.35	8.00
1	.11	.10	Planet Mines	1,200	.11	.11	.11	.11
50c	.12	.04	Porter Idaho	28,390	.10	.11	.09½	.10½
No	.00½	.00½	Premier Border	......	.00½	.....	.....	.....
No	.22	.10	Reeves MacDonald	1,700	.20	.20	.19	.20
1	.09½	.04	Reward Min.	88,500	.08½	.09½	.08	.09½
1	1.16	.60	Reno Gold	95,350	1.01	1.16	.97	1.14
1	.02½	.01½	Rufus Argenta	22,300	.01½	.04½	.01½	.04½
1	.05	.03	Ruth Hope	3,000	.04	.05	.03½	.05
1	.08½	.03½	Silverado	10,500	.07	.08	.06½	.08
1	.01½	.01	Silversmith	15,000	.01½	.01½	.01½	.01½
25c	.04	.01	Silver Crest	70,000	.03½	.04	.03	.04
50c	.02	.01	Snowflake	65,500	.01½	.02	.01½	.02
1	.34	.25	Sunloch	3,373	.25	.32	.25	.32
No	.07	.05	Vanalta	......	.07	.07	.05	.07
50c	.37	.08	Wayside	166,625	.23	.33	.21	.33
25c	.02½	.01½	Waverly Tangier	47,000	.02½	.02½	.01½	.02½
20c	.02½	.01	Wellington	38,000	.01½	.02	.01½	.02
1	.13½	.03	Whitewater	31,300	.09½	.13½	.09	.13½

*Quotations for 1932. No sales recorded in 1933 to date.

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	8c.	11.42	Merland Oils†	2½c.	.....
Coniagas	12½c.	.....	Noranda	$1.10	.....
Coniaurum†	.....	.....	Petrol Oil	3c.	.....
Cons. Smelters*	10%	.....	Premier	12c.	16.66
Dome Mines	$1+50c.	5.71	Pioneer, B.C.	24c.	2.34
Falconbridge	10c.	.....	Royalite	*1.50	.....
Hollinger	65c.+10c.	8.06	Siscoe	12c.	7.40
Howe Sound	40c.	.....	Sterling Pacific Oil†	2½c.	.....
Lake Shore	$2+$1	7.84	Sylvanite	4+1c.	5.43
McIntyre	$1.50+12½c.	5.60	Teck Hughes	60c.	13.24
McLeod Oils†	3c.	.....	Wright-Har.	20c.	3.81

*Stock. ‡Interim. †Initial. °Paid in 1932.

Canadian Mining News

CONIAURUM MINE REPORTS $26,912 DEFICIT FOR 1932

Initial Dividend Not Explained But None Contemplated in 1933

TO DEEPEN SHAFT

Exploratory Work Disappointing But Broken Ore Tonnage Increased —Grade Lower

Annual report of Coniaurum Mines covering the year ended Dec. 31, 1932, reflects a well-directed effort by the Lindsley interests to make a profitable mine of this gold property in the Porcupine district against increasing costs and lower grade ore. A development programme less extensive than the previous year resulted in the ore reserves being increased by some $41,000 but of a lower grade. Costs per ton mounted owing principally to the heavy assessments for silicosis and liberal reserves provided. Notwithstanding the deficit resulting from the year's operations and the fact that previous years showed a loss, an initial dividend of three cents per share was disbursed, but none is contemplated in 1933.

The following tabulation gives comparative income figures for the past two years:

Income and Surplus Account
Years Ended Dec. 31

	1932	1931
Bullion prod.	841,170	785,708
Less oper. expenses:		
Mine development	88,036	64,329
Geological exam.	8,424	4,360
Diamond drilling	10,703	3,308
Mining	449,067	410,136
Milling	113,610	110,926
Marketing	4,905	4,454
General mine exp.	14,170	12,318
Silicosis assessment.	25,769	1,800
Mine office & super.	23,403	23,658
Admin. & gen. exp.	20,974	18,341
Operating earnings	82,119	132,078
Add non-oper. income:		
Int. div. & exch.	15,100	9,281
Rentals	973	1,036
Prem. on production	108,084	48,717
Sundry revenue	377	....
Total net earn.	206,662	191,112
Less:		
Silicosis assess. prior year	44,766	15,589
Depreciation	41,454	38,458
Deep develop. w/o	144,654	130,585
Res. for supplies	2,700	....
Dividend	80,923	....
Surp. for yr.	*107,835	6,210
Previous deficit	62,825	69,035
Deficit forward	170,660	62,825

*Deficit.

Production treated showed an increase over previous years but the grade was lower. Exchange compensation amounting to 75 cents per ton brought the total value of the ore treated to $6.56 as against total operating costs of $6.86.

The following summary shows production figures since commencement of operations together with costs for the past two years:

Production Summary

Year	Tons milled	Daily aver.	Recov. per ton	Bullion recov.
1928	52,005	283	$5.06	$249,890
1929	103,298	295	6.45	666,549
1930	122,972	341	5.99	736,727
1931	130,585	357	6.02	785,708
1932	144,654	396	5.81	841,170
				$3,280,044

Production Costs Per Ton of Ore
Years Ended Dec. 31

	1932 $	1931 $
Develop. & explor.	0.74	0.56
Mining	3.10	3.14
Milling	.79	0.85
Taxes & marketing	.03	0.03
General expense	.41	0.43
Total oper. costs	5.07	5.01
Deprec. & write-offs	1.79	1.41
Total costs per ton	6.86	6.40

In his report to the president, John Reddington said the greater part of the development work had been confined to virgin ground. Above the 100 ft. level veins Nos. 5, 9 and 15 were drifted on in ore for a total length of 1,120 ft. showing an average of $5.69 per ton in gold over an average width of 4.7 ft. He commented that the development work on the 400 ft. level to the west did not respond as favorably as was anticipated. Broken ore reserves as at December 31, 1932, stood at 160,927 tons averaging $5.01 per ton.

During the year facilities were added to mine to a depth of 3,000 ft. and it is now under consideration to deepen the shaft from 2,111 ft. to 3,000 ft.

The working capital of the company shows an increase due to the heavy write-offs for pre-development expenses not involving any cash outlay.

The following is a comparison of current assets and current liabilities for the past two years.

Working Capital

	1932 $	1931 $
Current assets	510,854	446,048
Current liabilities	35,217	37,523
	475,637	408,525

The annual meeting of the company is called for May 25 in Toronto.

NORTHERN CANADA MINING CORPORATION, LIMITED
Invests in Canadian Mines and Mining Properties
J. B. TYRRELL,
President and Managing Director,
Room 930, 25 King Street West,
TORONTO, CANADA

Pioneer
Bralorne
McIntyre
Dome
Wright-Hargreaves

A lengthy review of the recent developments at these five important Canadian gold producers is contained in the current issue of "The Mining Chronicle." In view of the broadening market in the gold shares, this issue is of unusual interest.

Copies will be mailed upon request.

F. J. Crawford & Co.
Members Standard Stock and Mining Exchange
11 JORDAN STREET, TORONTO
ELgin 2201

Outposts Broaden Market for Nickel

Plants of International Nickel Co. Outside of Canada Play Vital Part in Furthering Primary Operations at Mines

By B. F. TOWNSLEY,
Mining Editor, The Financial Post

Millions of words have been written about the operations of the International Nickel Co. in Canada where the primary mining, smelting and refining of the famous Sudbury nickel ores take place, but little has been written of the outposts of this Canadian industry and their economic importance. At Huntington, West Virginia, and at other strategic centres on both sides of the Atlantic, are subsidiary establishments that are inseparably linked with the primary operations.

The Financial Post has made the rounds of the chief of these outposts in order that its readers may have a greater appreciation of what they mean in terms of value to Canada.

How important these outposts of Canadian industry are and how they sustain Canadian effort is better understood when it is known that for each man employed by the company in the United States, five men are given employment in Canada and two men in Great Britain.

In Europe, as on this continent, are research laboratories and sales organizations continually seeking to further the applications of nickel. The success of this research effort is interpreted in the final analysis in the employment of more Canadians at the site of primary operations.

Before we can adequately tell the romantic story of International Nickel's outposts of our mineral empire, we should have a little of the background of this greatest of Canada's mineral enterprises.

Found Half Century Ago

Just fifty years ago, the vision and courage of the Canadian Pacific Railway promoters, pioneering their way toward the Pacific, turned the course of the mineral development of the world. Blasting a rock cut, C. P. R. construction engineers first exposed the nickel deposits of the Sudbury Range. Thus, half a century ago, there was tapped the latent wealth that was the nucleus of a great new metallurgical enterprise, international in scope, the products of which are finding an ever-expanding circle of usefulness and which are today inseparable from our modern conception of industrial and domestic life.

The sound of this opening blast has died away but in influence it has re-echoed around the world.

The passing of the fifty milestones has marked many colorful incidents in the march of progress. Today these deposits have the distinction of accounting for over ninety per cent of the world's nickel production. The golden anniversary, this year, culminates an era which has witnessed the world's annual production expand from about 800 tons, coming principally from the French possession of New Caledonia, to nearly 60,000 tons in 1929, from the Sudbury deposits alone.

In simple figures is thus told the modern economic history of the nickel industry, but they black out the grief, toil and tenacity that have elevated nickel to the commanding position it occupies today. That nickel has had a struggle for supremacy is suggested in its very name, which was given by the Saxon miners early in the 18th century. They found a reactionary element in their copper ore which was promptly charged to the work of "Old Nick" and his elfin cohorts. What the German miners a few centuries ago branded as a useless element—the work of "Old Nick"—scientists have transformed, separated, refined and alloyed with other metals until the mythical association which gave it its name is replaced by a hallmark of quality.

Usefulness Broadening

It is a far cry from the discovery of the Sudbury nickel deposits of fifty years ago to the production of refined nickel and nickel alloy in the multitude of shapes and sizes demanded to serve a broadening circle of usefulness. The transition which has taken place in fifty years has not been without the overshadowing influence first attributed to "Old Nick," which for a time baffled metallurgists. The story of the evolution of the industry in the past fifty years is the story of the triumph of science in overshadowing inherent difficulties that on more than one occasion threatened the economic evolution of the industry. The Sudbury nickel ores are the nucleus of an industry now international in scope. As the usefulness of nickel is broadened, so are the primary mining operations of the Sudbury area increased.

Probably no other essential metal mined today has so large a percentage produced in one country and so small a percentage consumed in that country. In the past five years the Canadian consumption of nickel has averaged but one-half of one per cent of the metal produced. This unusual balance between production and consumption presents a problem in the treatment, refining and marketing of the metal that confronts but few mining operations.

No other basic commodity produced by Canada has such a small consumption within its borders. Of Canada's wheat production about 70 per cent is exported; of the flour produced about 45 per cent, of pulp 20 per cent, of newsprint about 90 per cent. Contrast these figures with nickel's 99½ per cent.

Just 57 per cent of the capitalization of the International Nickel Co., representing a consolidation of the principal producers, is held within the British Empire.

Of the total capitalization, 22 per cent is held by Canadians alone. From the standpoint of number of shareholders, Canadians represent 44 per cent of the total, owing to their holdings being in smaller blocks.

The nickel industry today is essentially an enterprise whose success depends on its ability to sell nickel in the marts of the world, and how best to accomplish this is the problem confronting those giving guidance to the undertaking.

One method they could have adopted was to follow in the footsteps of the man of mouse trap fame and let buyers make a path to the mine. The other method was to take a page from the book of the Fuller brush man and introduce the merits of nickel to a world that knew but little of its qualities. Nickel boosters found the latter the more effective.

During the past fifty years the problem of treating and marketing nickel has been sifted and re-sifted, as dictated by changing international trade agreements and tariffs, with always one essential objective—greater uses for nickel. Early it become recognized that the initial treatment of the ore at site of production was essential to combat transportation costs. During the World War it was dictated not only by economy, but by the interests of control, that nickel be refined in Canada. Following the World War a new era for nickel, brought about by post war conditions, made it imperative that if the Sudbury deposits were to sustain an industry, a great research programme backed by an expansion programme would have to be launched to win new markets to replace those lost by the waning demand from the armament manufacturers. With essentially an export commodity this meant the maintenance of an unrestricted world market.

From the introduction of this expansion programme about ten years ago, the International Nickel Co., as we know it today, has expended a total of approximately $50,000,000 to serve a market now comprising peace time products. Of this huge total Canada has had the major benefit in the form of new plants and new mine developments. But to the end of expanding uses for the metal, it was decided that the metal would be refined and fabricated in Canada and the final processing done in the countries of greatest consumption.

Means Much to Canada

How this balance has been worked out and how well it has profitted Canada is being told daily by the diversified uses to which the metal is being put and the new markets created during the worst economic depression which the country has known.

It is also significant that during the last five-year period, three years of which were ones of difficulty for all industries, $140,000,000 has been distributed in Canada by the International Nickel Co. Of this amount $49,000,000 went to Canadian workmen in wages and salaries. An additional $61,000,000 went for supplies and construction materials. The Canadian railroads and power utilities profitted to the extent of $18,000,000, while Canadian shareholders in the period received $12,000,000 in dividends The Canadian Government benefitted directly through the payment of $5,500,000 in taxes of various forms.

How outposts of Canadian industry contribute to the primary mining and metallurgical operations conducted in Canada and how this potential wealth profits Canada through these far-flung outposts, will be told in subsequent articles.

Poloni Claims Tyrrell Area Have Showing

Well-authenticated reports from Gowganda state that recent developments in Tyrrell township are adding materially to the importance of this area.

On the Poloni claims in the central western section of Tyrrell township a series of trenches has disclosed a vein averaging six ft. in width and showing free gold at shallow depths. The claims are held by a storekeeper at Gowganda and his Italian associates who have been prospecting in the area in recent months. Immediately to the north, separated only by one claim, are the holdings of the Central Tyrrell Gold Mines, while adjoining this property to the north is the Matona Gold Mines. Early reports state that the Poloni vein has a north-south strike and is regarded by those who have seen it as the most important showing in this area.

New Road Building

This section has been reached from Gowganda, some 15 miles east, but the Government is working on a road that will afford connection with West Tree Station on the C. N. R., some 30 miles west. A road exists from West Tree to White Rock in MacMurchy township, immediately west of Tyrrell. From this point a road is being improved through the agency of unemployment relief following a sand ridge that will connect with the properties in the area.

E. W. Todd, consulting geologist, now superintendent of the Lake Shore Mines, made an examination of the area in February of this year and reported favorable rock structures, similar to those that house the ore bodies of the Kirkland Lake camp.

Exploration parties are maintained at both the Matona and Central Tyrrell properties where an extensive surface trenching programme is planned.

Canning Plants Increase

According to the latest figures there are 278 establishments in Canada dealing with fruit and vegetable canning and the manufacture of vinegar, cider, pickles and sauces

Interest Stirred in Gold Prospects of Labrador

Sixteen Concessions Granted in Southwestern Section — This Season May See Active Exploration Conducted in Area

Newfoundland, Great Britain's oldest colony, is the latest territory to attract attention for its gold potentialities. Long known for its deposits of copper ore which at one time gave it the distinction of being the sixth largest producer in the world, attention has now been turned to the search for gold. Interest at present centres on prospecting large concessions given in the southwestern section of Labrador. For many years stories have been brought out by Indians that gold existed in this area and occasionally spectacular samples were offered as evidence.

The present government in power in Newfoundland has done a great deal to stimulate prospecting and last year hit upon the idea of mineral concessions to individuals or groups which showed evidence of good faith by posting $1,000 for each 100 square mile area and would undertake to spend $5,000 for three years on development. In addition the government collects royalty on any commercial production.

To Be Explored This Year

The first concession was granted to Capt. D. S. Bondurant, a former pilot of the Canadian Airways, who had been flying in that area and is somewhat familiar with the conditions. His application for a 40 square mile concession was the first made and his activities are largely pioneering interest in the field. This year he plans flying in experienced mining men to look over his area. To date some 16 concessions have been granted to various groups. Some of these, it has developed, are not bona fide prospecting organizations but individuals bent on turning over a part of their holdings at a price and under terms that approximate the cost for whole concession. In New York groups have been quite active.

So little is known of the mineral prospects of that section of Labrador that there is little reliable information and it remains for extensive prospecting to determine its importance. In 1929 a Toronto group, known as the New Quebec Co., sent experienced mining men into Western Labrador to prospect the mineral possibilities. They staked 28 claims on an iron formation to the north of where the present interest centres on the gold finds. After complying with the staking requirments of the Squires Government they had their work upset by the introduction of legislation withdrawing the area from staking and anti-dating the order to nullify the staking of the Toronto group. With such practice, interest in the mineral possibilities of the district got a black eye. Ultimately, however, the 28 claims were allowed but no additional staking was permitted. The result was that with the possible area tied down to 28 claims the whole matter was dropped and no further work was done by this group.

St. Louis Group Interested

When the present government came into power, efforts were made to stimulate interest in mining and an initial concession was given to Capt. Bondurant. He has the financial backing of responsible St. Louis, Missouri, people and has the mining experience of a St. Louis engineer.

The sections on which concessions have been given have not been surveyed and extensive lake areas are known to exist, which makes it possible that some of the concessions have large water areas.

The holders of these concessions include R. T. McGrath, Tobias Jackman, Frank M. Wills, Great Gull Lake Copper Co., Thomas Smyth, Thomas Molloy, J. Cheeseman, F. Chalmers, C. C. Duley, late B. McGrath, late D. Baird, J. Rendell, J. T. Meaney and C. W. Tessier.

Elected to Standard

LOUIS F. HENRY
Who has been elected as member of the Standard Stock and Mining Exchange to represent the newly formed brokerage house of R. P. Barrett & Co., Hamilton, Ont.

BRALORNE RESULTS PROMPT EXPANSION TO 250 TONS DAILY

Annual Report With Details of Mine Development Expected Soon

From Our Own Correspondent

VANCOUVER. — Rise in the stock of Bralorne mine, one of the promising Bridge River properties, on stock exchanges during the past week has focused considerable interest on the development work now proceeding under that company's direction.

Most of the recent development work lately has been on the eighth and tenth levels of the King vein. West of the fault, the King vein has been drifted on for more than 700 feet and has been found to measure from eight to 15 feet wide, and with ore assaying better than $20 a ton.

Mining men are optimistic regarding the future of Bralorne. It is quite likely that operations this year will place the entire Bridge River area on a higher footing than before. The Bralorne vein gives promise of carrying ore to great depth, according to geologists who have examined the property.

It now has more than three years supply of ore blocked out for its 130-ton mill and the hydro plant is being increased immediately preliminary to stepping up the mill to 250 tons capacity. The work will cost about $25,000.

A report on the company's operations, which will disclose exact data on the King vein and the earnings, is anticipated early in May.

Croesus Planning Aggressive Work

An enlarged scale of exploration is planned at the old Croesus mine in Munro township, 12 miles east of Matheson on the T. & N. O. Railway, according to official advice.

The property is now owned by Robert Coffey and J. E. Grant, who have been operating a small test mill the last two summers, treating ore from the dump and doing a limited amount of exploration work.

Plans now call for the installation of a Diesel engine driven compressor that will permit of an aggressive exploration programme in an effort to solve the faulting of the high-grade ore shoots from which $1,000,000 in gold was produced during the war years.

NORANDA EARNS 30C PER SHARE IN FIRST QUARTER

Curtailed Production Was Due to Repairs — 2nd Quarter Higher

The big drop in earnings reported by Noranda Mines for the three months ended March 31, 1933, was not exactly a surprise, as James Y. Murdoch, K.C., president of the company, stated at the annual meeting that production and earnings were down, due partly to furnace repairs under way. Earnings in the last quarter amounted to 30 cents per share as compared with 49 cents per share in the first quarter of 1932, and as compared with $1.61 per share in 1932.

The value of the recovery in the first quarter amounted to $2,476,458 as compared with $3,050,046 in the first quarter of 1932, reflecting not only a decrease in the copper produced, but also in the gold recovered.

Indications are that the gold recovery in the first quarter was substantially below what has been maintained in 1932, as the decline in the copper production would not account for the reduced metal value.

Higher Second Quarter

Those familiar with Noranda's operations state that it would be most unfair to attempt to appraise the earnings trend in 1933 by earnings in the first quarter. Not only are copper prices showing an improved tone, but also facilities have been made at Noranda that will permit of an increased production and earnings in the second quarter are foreseen as substantially higher.

The following tabulation gives comparative earning figures for the first quarter of this year as compared with a similar period in 1932:

	1st qu. 1933 $	1st qu. 1932 $
Total recovery	2,476,458	3,050,046
Less: Gen. exps.	1,515,507	1,519,947
Res. for taxes	108,000	142,000
Net oper. earn.	852,951	1,388,099
Add: Misc. inc.	70,546	58,801
Total net earn.	923,497	1,446,900
Less: Res. for deprec.	*255,536	355,459
Esti. net profit	667,961	1,091,441

*At 10 per cent per annum; prior rate 15 per cent per annum.

Est. Earns. per Share	$0.30	$0.49
Production:		
Copper anodes, lbs.	13,434,628	14,654,262

PAYMASTER SEEKS TO CLEAR DEBTS

Only $30,000 Remains of $200,000 Obligation— Shares at 10c

Officials of Paymaster Consolidated Mines are making a final drive to clear the company of outstanding obligations totalling some $30,000, the balance of old outstanding note obligations which at the time of incorporation in 1930 amounted to over $200,000.

By persistent efforts Paymaster officials have kept the company alive during a period adverse to public financing. It is now proposed to clean up the remaining obligations by the issue of treasury shares at ten cents each. The company has an authorized capitalization of $9,000,000 in $1 par value shares of which some 3,800,000 shares have been issued. The property comprises some 2,000 acres adjoining the Dome Mines in the Porcupine area which at one time or another were owned or controlled by the West Dome Mines, Standard Gold Mines, Bison Gold Mines, McIntosh Mines, West Dome Lake Gold Mines, Dome Lake Mining & Milling Co., McLean Gold Mines, Consolidated West Dome Lake Mines, Premier Paymaster Mines and United Mineral Lands Corp., representing owners and reorganizations during the past 20 years. The principal group of properties produced over $1,500,000 in gold in years gone by, but due to the low grade and operating costs a profit was precluded. The new possibilities in gold mining if revaluation proposals are accepted, lend new interest to these lower grade properties.

GODERICH ELEV. EARNINGS DOWN OUTLOOK BETTER

Working Capital Position Weaker But Bank Loans Down

Operating revenue of Goderich Elevator & Transit Co. is reported at $141,375 in the year ended March 31, 1933, as against revenue of $267,597 in the preceding year. Elevation and storage charges dropped to $126,344 from $242,445 and elevator charges to $15,031 from $22,217. Restricted sale of flour and feed grain in central Ontario and low freight rates which served to divert export grain from lake and bay ports are given as reasons for lower earnings. Reduction of lake-and-rail export rates in 1933 and other factors lead to the belief that profit will be higher in the current year.

Compared with the 1931 season traffic was 42 per cent less and revenues were down by 44 per cent. Operating and administration costs were reduced by 31 per cent. After deducting operating expenses and various charges, net profit was down to $24,692 from $87,440 and payment of dividends reduced surplus by $25,711.

Income and Surplus Account
Years Ended March 31

	1933 $	1932 $
Income	141,375	267,597
Less:		
Expenses	70,843	98,974
Depreciation	36,260	61,066
Income tax	9,580	20,117
Net profits	24,692	87,440
Less appropriations:		
Dividends	50,403	147,010
Res. for conting.	....	26,000
Surplus for year	*25,711	*86,570
Add: Prev. surplus	119,136	199,916
Life ins. adjust.	552	4,790
Trans. from res.	11,000	....
Bal. carried forward	104,977	119,136

*Debit.

Working Capital
As at March 31

	1933 $	1932 $
Current assets	23,741	88,606
Current liabilities	120,801	188,454
Working capital	*97,060	*99,848
Ratio	0.19—1	0.47—1

*Excess of current liabilities over current assets.

Land and water lots held under lease are valued at $115,586 and docks, foundations, buildings, etc., are carried at $1,166,027. Clarkson, Gordon, Dilworth, Guilfoyle & Nash, chartered accounts, state that a detailed audit of the company's accounts was not made by them but that subject to adequacy of reserves for depreciation the balance sheet shows the position of the company. The balance sheet shows reserve for contingencies of $15,000; surplus from valuation of leases and appraisal of capital assets, less amounts distributed in dividends, $143,424; and 84,006 shares of no par value common outstanding which are valued at $933,400.

BIDGOOD PROPERTY TO GET EARLY TEST

New Company Pays Creditors and Gives Interest to Old Shareholders

Prospects brighten for a thorough test of the Bidgood property, four miles east of the producing section at Kirkland Lake, Ontario.

Creditors of the predecessor company, Bidgood Consolidated Mines, which made a voluntary assignment last December, are in a unique position in that they are to be paid in full. To date 70 per cent of the claims, totalling $45,000, have been paid and the balance is to be disbursed at an early date.

Bidgood Kirkland Gold Mines, incorporated with an Ontario charter on March 18 this year, has been formed to acquire the property and assets and finance the construction of a 100-ton mill. The new company has been formed by F. A. Pollard, of Hamilton, Ontario, who successfully tendered for the assets of the old company at $45,000 plus 215,000 shares in the new company. Old Bidgood shareholders are to receive one new share for each 12 shares formerly held. Inasmuch as their interest was entirely wiped out by bankruptcy proceedings, the equity given in the new company was purely a gesture of goodwill toward the previous shareholders. Of the $2,000,000 capitalization of the new company, approximately $1,000,000 in $1 par shares were issued for the property. Financing is now under way, and all the shares are pooled until December 31 this year in order to assist the company's financial programme.

Test Mill Planned

J. E. Grant, of Haileybury, made an examination of the Bidgood property last year and reported that sufficient ore was in sight to justify a mill, the profits from which should pay the cost of construction. Owing to the nature of the ore bodies it is believed that bulk sampling by means of a small mill will give a much truer indication of the merits of the property than any other method and thus the mill will serve the dual purpose of treating the ore in sight and confirming the value of future development work.

Hollinger Meeting May Bring Graton Findings

Hollinger Consolidated Gold Mines will hold its 22nd annual meeting in Montreal on May 11. On such occasions it is usual for N. A. Timmins, president of the company, to make outstanding announcements as to the status of the company and it is believed that further information will be forthcoming as to the findings of Dr. L. C. Graton, geologist from Harvard University, who completed his study of ore conditions at Hollinger last October. Little or no information was contained in the Hollinger annual report as to his findings.

Hollinger's investment subsidiary, the International Bond & Share Corp., is understood to have fared quite well in the stock market appreciation that has taken place since the close of the company's fiscal year, December 31, 1932. Not only has the market for the listed securities in the company's portfolio increased, but also has the exchange between United States and Canada narrowed up, which makes for a better showing of the investment subsidiary.

Wayside Mine to Develop Power For Mine Work

The performances of the Pioneer Mine in the Bridge River area of British Columbia and the Bralorne property, which went into production last year, have stirred the interest in mining in this district until many substantial companies are undertaking extensive development programmes. The Wayside Consolidated Mines, adjacent to the Bralorne has been under examination by the company's engineers who now recommend the driving of "B" and "C" tunnels, and crosscutting at the end of No. 4 tunnel. This work is to start immediately, according to advices from Vancouver.

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MARCUS LOEW'S HAS REDUCED REVENUES

Working Capital Position is Substantially Improved

Gross earnings of Marcus Loew's Theatres Ltd. declined in 1932 to $150,911 from the $197,844 shown for 1931. Non-operating income was higher and expenditures were reduced to some extent but an additional item of $7,700 for U. S. exchange offset some of the savings made. Net profit available for preferred dividends was $88,107 as compared with $112,831 in 1931. Profit per share on the 6,539 shares of $100 par value preferred stock outstanding was $13.47 which compares with $17.26 per share in 1931.

Income and surplus account in the past two fiscal years is as follows:

Income and Surplus Account
Years Ended

	Jan. 5 1933 $	Jan. 2 1932 $
Gross earnings	150,911	197,844
Add: Other income	58,215	51,055
Less: Oper. exp.	52,208	66,755
Net earnings	156,918	182,144
Less: Deprec.	32,624	36,663
Bond interest	6,314	8,815
Mortgage int.	2,093	1,154
Bond dis. w/o	1,147	1,529
Movie. inst. w/o	6,296	6,296
Tax reserve	12,687	14,856
U. S. exchange	7,700	....
Net profits	88,107	112,831
Less: Pref. divs.	....	22,887
Surplus for year	88,107	89,944
Add: Prev. surp.	483,008	396,469
Less: Tax adj.	....	3,405
Balance forward	571,115	483,008

*Loss. †Deficit.

Working capital position was substantially improved with cash up to $118,184 from $25,592. Chief item among current liabilities is income tax provision of $13,000. Ratio of current assets to current liabilities has increased to 6.39 to 1 from 1.65 to 1. Working capital position is as follows:

Working Capital

	1933 $	1932 $
Current assets	118,184	37,744
Current liabilities	18,489	22,818
Working capital	99,695	14,926

Fixed assets are carried at $1,209,812 of which $600,480 represents real estate, leasehold, buildings and equipment on Yonge and Victoria Streets, Toronto, after provision of $422,936 for depreciation, and $601,156 represents the theatre at Yonge and Bloor Streets, Toronto, after provision of $256,034 for depreciation. Goodwill is carried at $750,000 and organization expenses at $30,000. There is outstanding $86,000 of first mortgage bonds which have been reduced by $43,000 in 1932. Mortgage payable stands at $33,000.

Loew's London Earnings Lower

Loew's London Theatres Ltd. had a decrease in net earnings in the year ended January 5, 1933, to $59,329 from $68,018 in the preceding fiscal year. Deductions for expenses, repairs, renewals, taxes and insurance, were practically unchanged and net profit for the year was down to $19,594 from $27,293 in 1931. On this basis, the company earned 58 cents per share on the $10 par value preferred stock as compared with 81 cents in 1931.

INCOME AND SURPLUS ACCOUNT
Years Ended

	Jan. 5 1933 $	Jan. 2 1932 $
Net earnings	59,329	68,018
Less: Deprec.	9,423	9,353
Movietone instal.	5,441	5,441
Expenses	3,205	3,938
Repairs, renewals	2,380	2,380
Income taxes	2,975	3,429
Directors' fees, etc.	3,265	3,365
Taxes & insur.	13,046	12,819
Net profit	19,594	27,293
Less appropriations:		
Pref. divds.	17,714	29,523
Surplus for year	1,880	†2,230
Add: Prev. surplus	10,033	13,671
Prof. on sale of equip.	....	65
Less: Tax adjust.	....	1,473
Balance forward	11,913	10,033

†Deficit.

Working Capital
As at Jan. 5

	1933 $	1932 $
Current assets	36,938	18,925
Current liabilities	4,602	5,353
Working capital	32,336	13,572
Ratio	8.02—1	3.54—1

The balance sheet shows real estate, buildings, and equipment carried at $287,581, after provision for reserve for depreciation amounting to $159,398. Movietone installation has been written down from $27,205 to $7,261. Goodwill, booking rights, etc., are still carried at $516,827. Preferred stock remains unchanged with 33,741 shares outstanding on which dividends have been paid to December 31, 1931.

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